

**Date:** August 28, 2024

**Ref. No.:** KDL/SE/066/2024-25

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

**Sub: Submission of 14<sup>th</sup> Annual Report for the year 2023-24.**

This is to inform you that the 14<sup>th</sup> Annual General Meeting (“AGM”) of the Company will be held on Saturday, September 21, 2024 through Video Conferencing (VC) / Other Audio Visual Means (OAVM), at 02:15 p.m. (IST)

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report for the year 2023-24 along with AGM notice sent to the shareholders.

Request you to take the same on your records.

Thanking you,  
Yours sincerely,

For **Krsnaa Diagnostics Limited**



**Sujoy Sudipta Bose**  
**Company Secretary & Compliance Officer**  
**Encl:** as above

# Scalable. Agile. Future-ready.

Annual Report 2023-24





From the very beginning, we aspired to make Krsnaa Diagnostics a truly differentiated service provider. It is this zeal that empowered us to become one of the largest PPP (Public-Private Partnership) players in the diagnostics segment. With our expertise in technology-enabled, advanced diagnostic services, we have continuously sought partnerships with private as well as public hospitals, medical colleges and community healthcare centres. It has not only enabled us to make a comprehensive array of sophisticated diagnostic services easily accessible to unserved and underserved regions of the country but also allowed us to offer affordable services at significantly lower rates in comparison to the market.

# Scalable. Agile. Future-ready.

The healthcare landscape continues to evolve with every passing day. It compels us to constantly look within and develop new capabilities, improve existing strengths, expand our footprint and make a positive impact on people's lives. We understand the importance of timely and efficient diagnosis for effective healthcare delivery. Therefore, we remain focused on creating a scalable infrastructure that is designed to align with rapid changes in the healthcare industry. It also prepares us to work with agility and identify emerging patient needs.

During the year gone by, we maintained a relentless focus on growing the number of pathology labs, collection centre and radiology centres in semi-urban, rural, tier II and III cities and towns across the country. We have also collaborated with private healthcare providers to operate diagnostic centres within their facilities. It has increased our reach and earned us the trust and loyalty of thousands of Indians living in smaller towns and cities where access to superior quality diagnostic services is often a rarity.

Today, our unique business model, the size and scale of our operations along with a strong brand equity positions us for accelerated growth in the years ahead. Our consistent emphasis on the adoption of new-age technology keeps us poised to benefit from favourable trends in the healthcare delivery ecosystem. It also continues to fortify the foundation of a future-ready organisation – prepared to make new waves in India's diagnostic services landscape.



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

#### Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

## What's Inside

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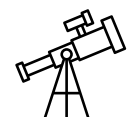


## About Us

# Driving clinical excellence through scalable, agile, future-ready operations

Krsnaa Diagnostics is one of the largest PPP (Public-Private Partnership) players in the diagnostic sector. With an aim to make quality diagnostic services easily accessible and affordable for a large section of the Indian population, we collaborate with government as well as private hospitals and healthcare centres to serve people in semi-urban and rural areas. Our extensive range of radiology, pathology and teleradiology services have enabled us to consistently broaden our presence across the length and breadth of the country.

We offer world-class diagnostic facilities, consistently ensuring adherence to the highest quality standards. Our Laboratories and Diagnostic centres are accredited by National Accreditation board for Hospitals and Healthcare providers (NABH, NABL).



### Vision

**People's preferred partner in improving Lives**



### Mission

**Touching Lives globally through emerging innovations**



India <b>1<sup>st</sup> CAP</b> Accreditation in govt Hospital		<b>₹6,196 million</b> Revenue
India <b>1<sup>st</sup> NABH</b> Accredited Tele-reporting HUB		<b>₹1,466 million</b> EBITDA
<b>22</b> NABH accredited centres		<b>₹568 million</b> PAT
<b>21</b> NABL-accredited centres		<b>₹17</b> EPS
<b>15 million+</b> Patients served in FY24		<b>75%+</b> Bid Win Ratio



## Growth Strategies



### Tapping Into New Markets

Enter under penetrated markets through new PPP tenders



### Project Execution

Focused on timely and successful implementation of new projects



### Expansion of Pathology Business

Expanding the Pathology business by capitalising on the extensive infrastructure of existing Pathology Diagnostics centres and addition of new collection centres to reach more consumers

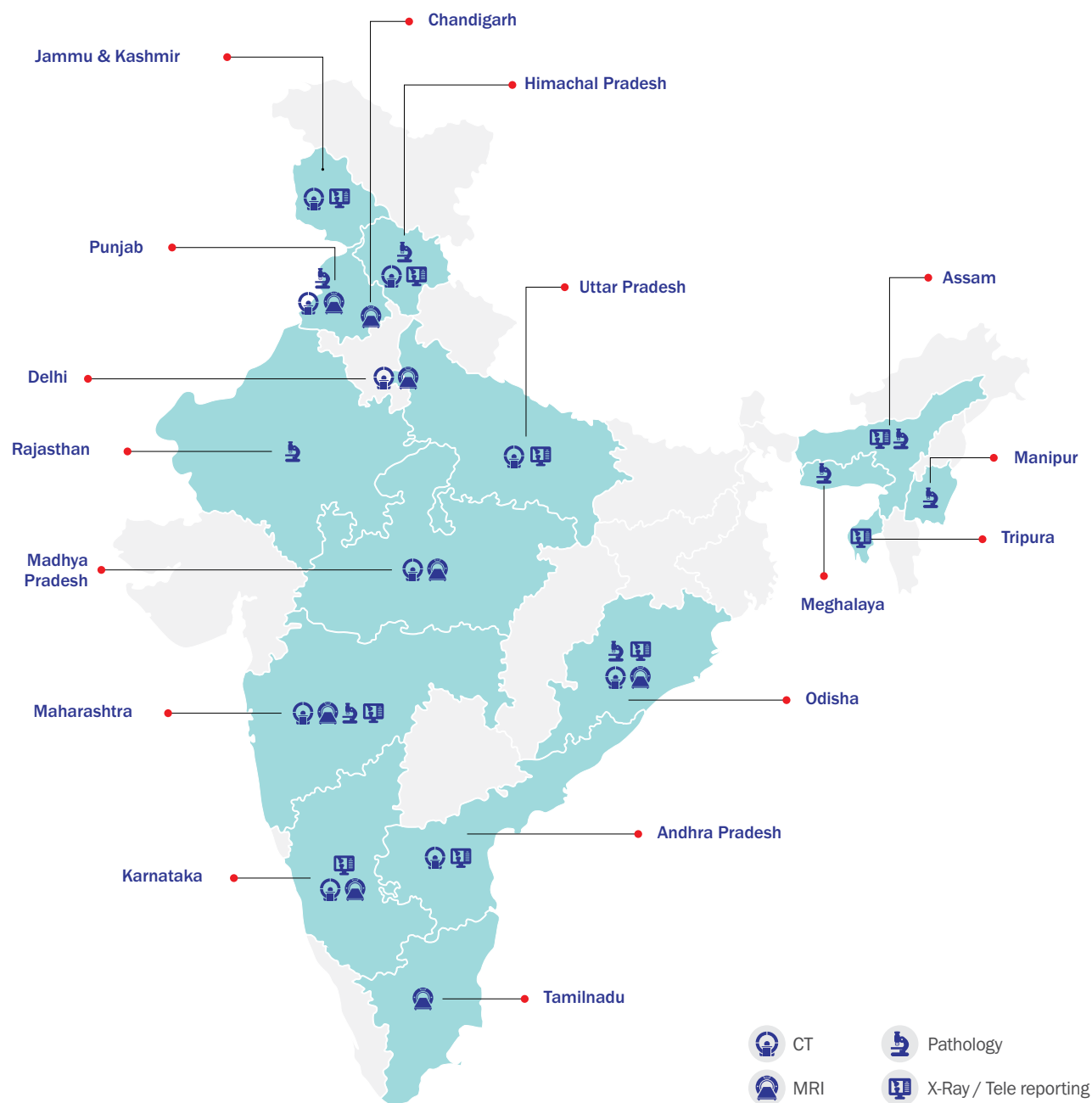


### Increasing Visibility

Digital campaigns to increase consumer awareness about Krsnaa's competitive price offerings

## Geographical Presence

# Mapping our footprint across india



### Our presence

- Andhra Pradesh
- Assam
- Chandigarh
- Delhi
- Himachal Pradesh
- Jammu & Kashmir
- Karnataka
- Madhya Pradesh
- Maharashtra
- Manipur
- Meghalaya
- Odisha
- Punjab
- Rajasthan
- Tamilnadu
- Tripura
- Uttar Pradesh

### Key Highlights

**17**

States and Union Territories

**150+**

Districts

**148**

Radiology centers

**1,443**

Tele-Reporting Centre

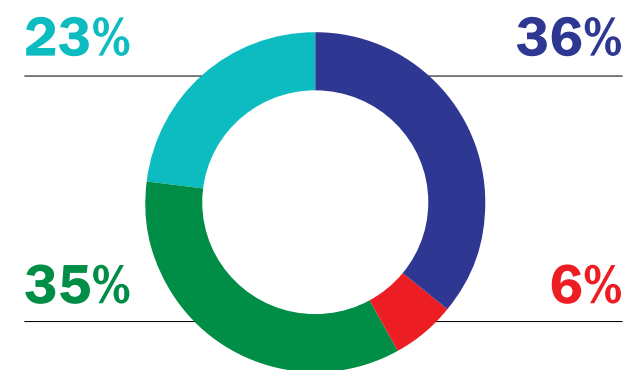
**120**

Processing labs

**1,895**

Pathology Collection Centre

### Revenue zone (%)



North	36%	West	35%
East	6%	South	23%

## Our Journey

# A tale of limitless aspirations



**2011**

Began operations with **2** radiology centres

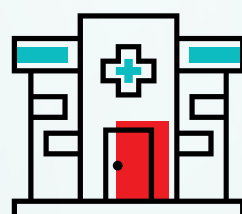


**2019-20**

Expanded operations to Private hospitals with **14** private centre tie-ups

Expansion Centres - **1,300+**

States - **13**



**2013-18**

Won First Public Private Partnership contract for **12** CT scans in Himachal Pradesh

Pan India Expansion Centres - **664**

States - **12**



**2021-22**

Successful Listing on the **Stock Exchanges**

Expansion Centres - **2,000+**

States - **14**

Won contracts in Punjab, Himachal Pradesh, Chandigarh and Uttar Pradesh for **Radiology and Pathology**

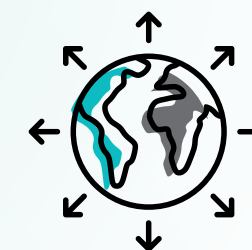
**2023**

Expansion Centres - **2,800+**

First time in India a Teleradiology **HUB** is Accredited by **NABH**

Won **4** Radiology Contracts and **4** pathology contracts from various states in India

Expanded in the B2C segment with **56** KBA



**2024**

Expansion Centre - **3,600+**

States & UT - **17**

First time in India a government facility accredited by **CAP**

Won the largest order of **17** MRI & **17** CT in Maharashtra

Won order for **5** MRIs in Madhya Pradesh

Expanding our **Retail** Presence



## Chairman's Message



I am delighted to share that, one of the National Reference Laboratories operated by Krsnaa Diagnostics Limited situated at Kamala Nehru Hospital, Pune which is operated in a government facility has been successfully accredited by College of American Pathology (CAP), which is a leading global organisation renowned for its dedication to promote excellence in the field of pathology and laboratory medicine.



### Dear Shareholders,

With your valuable help and support, we at Krsnaa Diagnostics Limited, are motivated towards our vision to build a scalable, agile and future business. The annual performance report for the financial year 2023-24, summarises our strategy and activities towards our goal.

We commenced our journey 13 years ago and since then we have been witnessing steady growth from strength to strength. As a result of our strategic investments over the years, adoption and implementation of cutting-edge technology, team upskilling and improved patient outreach, we have become the only Company with a Pan-India presence in both Pathology and Radiology segments.

This journey has been a continuous evolution for us, we have emerged as one of India's largest differentiated Diagnostics services providers and are serving patients across 150+ districts in India, spanning 14 states and 3 Union Territories. Our principal aim is to provide Diagnostics services to those in need. We proudly state that, in the last five years, we have had the opportunity to assist more than 40 million patients and that this number continuous to rise daily.

I am delighted to share that, one of the National Reference Laboratories operated by Krsnaa Diagnostics Limited situated at Kamala Nehru Hospital, Pune which is operated in a government facility has been successfully accredited by College of American Pathology (CAP), which is a leading global organisation renowned for its dedication to promote excellence in the field of pathology and laboratory medicine.

This accreditation is awarded to a facility inside a government hospital premises operated by Krsnaa Diagnostics Limited under the PPP (Public, Private Partnership) model in India and it being first of its kind, symbolises a significant milestone for our Company. It is a true demonstration of our team's commitment and efforts.

As I discuss our journey, I'd want to address the following topics:

### Macro landscape

The Government of India has been consistently focusing on making quality healthcare accessible to each and every individual. The Economic Survey for the fiscal year 2023-24 was recently published which exhibited that 6.9 crore Hospital Admissions were made under the Ayushman Bharat Scheme since its launch.

In order to reach out to people having limited access to advance Diagnostic facilities, we are now expanding our area of expertise to Tier II and Tier III cities and subsequently, we will be expanding our scope of work in semi-urban and rural areas.

We have established strong public-private partnerships with Central and State Governments along with Municipal Corporations with a view to provide Diagnostic Services at public hospitals. Our Government's constant efforts to improve healthcare and seek partnership under the PPP model showcases our company's potential and assures outcomes for our company in the long run.

### Delivering Excellence

Today, we deliver clinical excellence to enable strong evidence-based treatment and care for our patients in every corner of the country.

Our efforts in providing advance Diagnostics services positively reflects on our financial performance. In the fiscal year 2023-24, our revenue reached ₹ 620 Crores, signifying a commendable 27% year-on-year growth and we have maintained a healthy EBITDA margin of 24%. The increase in the revenue includes tireless and dedicated efforts from our recently launched centres operational efficiencies.

It is pertinent to mention that as a relatively young company, we have experienced rapid growth, driven by our strategic investments in setting up Diagnostic centres predominately under the PPP model. Considering the evolution of the PPP model in the diagnostics space, the major capital expenditure has taken place in the last few years and its full potential will be gradually ascertained in the coming years.

Under the Radiology segment, we are operating 148 CT/MRI and over 1,440 Tele-Reporting centres.

We are working towards installing more such advanced equipment's at our centres in the near future. We are assisted by 500+ doctors to deliver the best quality diagnostics services at an affordable price.

Our asset-light business model ensures scalability and allows for cost optimisation. Providing services to Government hospitals saves costs on space acquisition, utilisation as well as doctor referral fees and promotion. This is how we can leverage the economies of scale to serve a larger customer base. Moreover, our PPP model enables us to forge long-term agreements with secure revenue streams.

### Ramping Up Our Operational Portfolio

Krsnaa marks its presence in most of the Tier I, II, III and rural areas. Our active projects

are at various phases of execution in Assam, Maharashtra, Madhya Pradesh, Odisha and Delhi. We plan to have dominant presence at untapped geographies.

Our strong brand equity, competitive pricing and scalable model provides an edge in the market as compared to our peers. Continuous investment in infrastructure, centralised operations, and tele-radiology ensure and increases our efficiency. Furthermore, stringent quality control and experienced management system ensure compliance.

To contribute to our expansion and ensure our capitalisation on the B2C opportunities, we are strengthening our leadership team. We are excited to welcome Mr. Mitesh Dave as the Group Chief Executive Officer of Krsnaa Diagnostics Limited. Mr. Mitesh brings a wealth of experience from his illustrious career in FMCG, OTC pharmaceuticals, Telecom Industry, Diagnostics and Single Specialty Hospitals.

### Providing Tech-Enabled Services

In order to provide standard and quality diagnostic services we have enabled cloud-based technology and tele-radiology services round-the-clock in remote regions. We have passionately integrated AI and machine learning system into diagnostics and predictive analytics to improve customer service and skilfully utilise technology for enhanced efficiency and better outcomes.

To boost operational efficiency and elevate patient satisfaction, we are leveraging advanced digital solutions, including mobile apps and tele-consultation services. Additionally, we have started investing in AI-driven technologies to explore the potential and accuracy for patient care.

We continue to acknowledge the importance of home visits as a convenient and essential aspect of healthcare delivery. Therefore, we aim to increase our penetration into in-home visits, ensuring that our services are accessible to individuals from the comfort of their homes. Empowering customers with specialised testing and home collection services, we aim to establish a strong presence in an ever-evolving business.

### Investing in People and Community

We are investing in continuous learning and development initiatives of our teams, offering formal training programmes, workshops, seminars and experiential opportunities tailored to organisational needs. This holistic approach enhances career growth prospects and benefits in promoting an inclusive and dynamic work environment.

Beyond immediate business priorities, our social responsibility endeavours address the broader healthcare requirements of diverse communities. We have recently donated an advanced CT-Scan machine to a charitable hospital to enhance their diagnostic competences. Our initiatives have empowered communities to strengthen healthcare facilities and address individual specific needs.

In this context, it is worthwhile to mention that we received the 'Best Diagnostic Lab of the west' award from Voice of Healthcare, which recognises and appreciates our efforts in the diagnostic services sector.

### Way Forward

India's diagnostic industry continues to show promising growth and Krsnaa Diagnostics stands at the forefront of this transformation.

We are on the cusp of limitless possibilities, and we are determined to adapt, innovate and excel in the diagnostics sector. Our ambitious growth plans are specifically designed to unlock new opportunities and promote expansion, in order to positively impact lives and contribute to the advancements of the healthcare industry.

The growing trend of preventive healthcare and wellness presents significant opportunities. By aligning with these trends, we are expanding our service lines, catering to the increasing consumer demand for early diagnosis and holistic diagnostic solutions.

Our strategic foray into the retail segment through the establishment of collection centres is a pivotal step towards strengthening our B2C presence. By leveraging our existing PPP networks, we aim enhance the Business to- consumer model.

Lastly, I appreciate our teams and departments for their dedication and efforts and I extend my gratitude to all our investors and stakeholders for their continued trust and support. As we await the future, we are steadfast in our commitment to make a positive difference into millions of lives.

### Regards,

**Rajendra Mutha**  
Executive Chairman



## Our Service Offerings

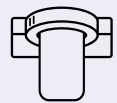
# Benchmarking healthcare diagnostics

### Radiology

Precise diagnosis is essential for ensuring timely healthcare delivery. Radiology services utilise imaging technology to identify internal issues. With the use of advanced technology, we assist healthcare professionals to diagnose and treat medical conditions with ease.

## 148+

CT/MRI Scan Centers



Magnetic Resonance Imaging (MRI)



Ultrasound



Computed Tomography (CT Scan)



Dexa



Mammography



24\*7 service



### Teleradiology

Our teleradiology services enable radiologists to offer treatment remotely. Teleradiology involves transmitting radiological images such as CT scans, digitised X-rays, MRIs and ultrasounds between different locations. Utilising standard hardware like telephone lines and wide or local-area networks, specialised software facilitates image transmission. This software enables radiologists to analyse and diagnose conditions without the need to be present at the patient's location physically.

India's

## 1<sup>st</sup> NABH



## 1,443

Accredited Teleradiology HUB

Tele-reporting centres



### Benefits of Teleradiology at Krsnaa



Digital X-Ray



Expert and certified Radiologists



Minimum turnaround time for reporting



Superior quality of reports



24\*7 service





## Pathology

Our laboratory services span a diverse range of investigations, ranging from routine to highly specialised tests. Equipped with state-of-the-art fully automated analysers and supported by a proficient team of extensively trained technicians, we offer extensive pathological testing services. We also offer the convenience of home collection services for obtaining samples from patients' homes.

# 120+

Pathology processing laboratories

# 1,895

Pathology collection centres



## Benefits of Home Collection



Timesaving and efficient



Easily accessible



Qualified technicians



Value pricing



Established methodology



24\*7 service

## Health Packages

We offer various health packages in addition to our Ayaksham package. We provide diagnostic testing packages for diabetes, heart health, liver health, kidney health, thyroid, fatigue, cancer, senior citizen care, bone health, infection screening, fever profiles and more.

**It is time to take care of the one who cares for EVERYONE!**

This **MOTHER'S DAY**, ensure her good health with

**AYAKSHAM**  
BASIC HEALTH CHECKUP!

56 PARAMETERS  
CBC, LIPID PROFILE,  
T3, T4, TSH, LFT, KFT,  
GLUCOSE FASTING.

~~MRP ₹2,220/-~~  
OFFER PRICE  
**₹699/-**

**Krсна**  
DIAGNOSTICS  
LET'S DO GOOD.

*Sacha Bhi. Acha Bhi*

This  
**World Health Month**  
invest in your wellness with our  
**'Health for all'** offers!

**Ayaksham**  
Basic Health checkup

-56 Parameters CBC, Lipid Profile, T3,T4, TSH,LFT, KFT, Glucose Fasting

~~MRP ₹2,220/-~~  
Offer Price  
**₹699/-**

020-6814 6814, 4695 4695 | 96233 96233  
Website: www.krснаdiagnostics.com | Email: info@krснаdiagnostics.com

## Performance Overview

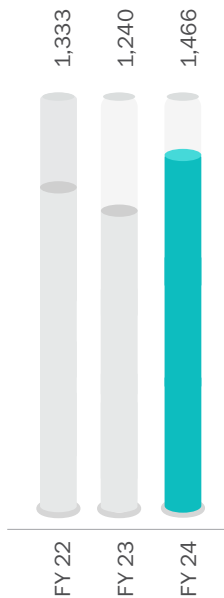
# Moving forward with agility and efficiency

### Key Financial Highlights

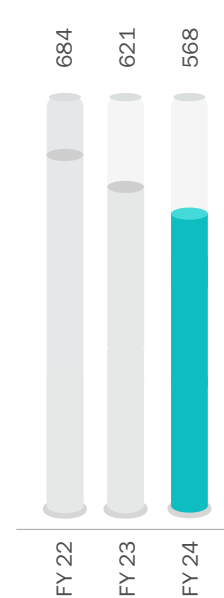
**Revenue from Operations**  
(₹ in million)



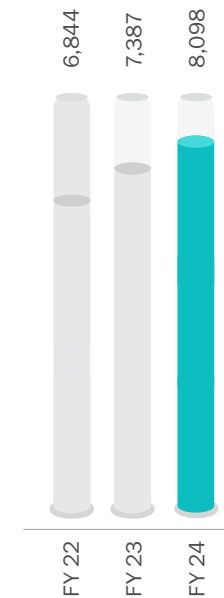
**EBITDA**  
(₹ in million)



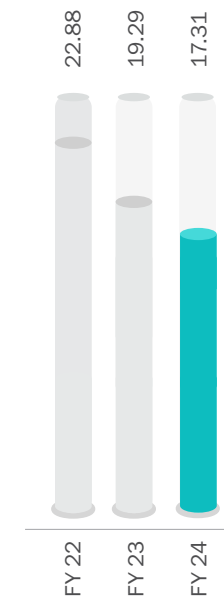
**PAT**  
(₹ in million)



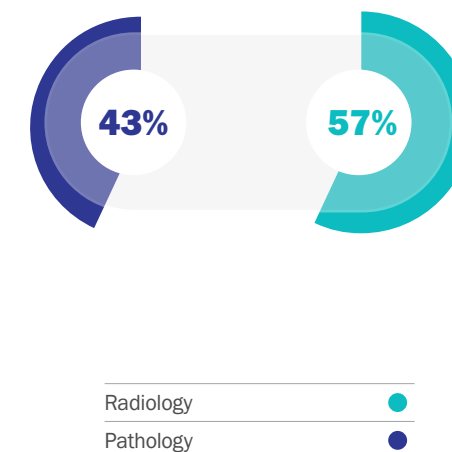
**Net Worth**  
(₹ in million)



**Earnings Per Share**  
(in ₹)



**Revenue contribution**  
(%)

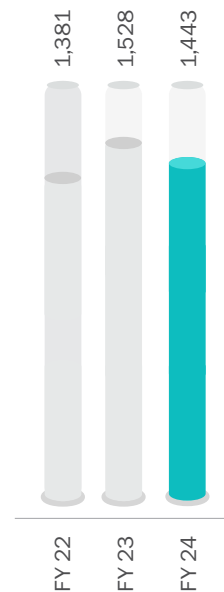


### Operational Highlights

**CT/MRI Centers**  
(Number)



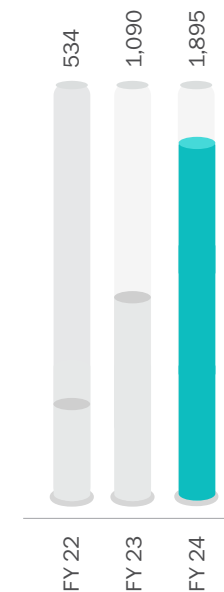
**Tele-Reporting Centers**  
(Number)



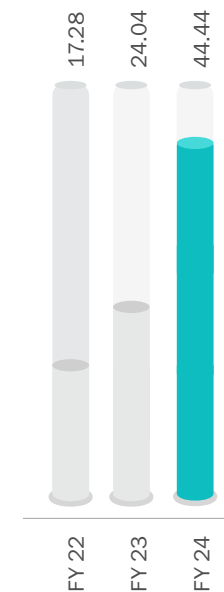
**Pathology Labs**  
(Number)



**Pathology Collection Centers Total Tests**  
(Number)



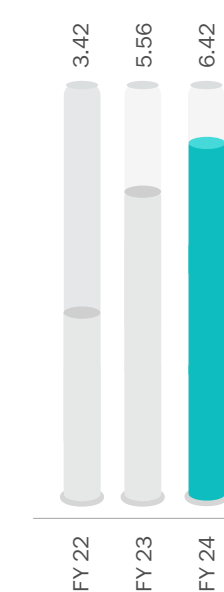
**Total Tests**  
(Number in million)



**Number of Patients**  
(₹ in million)



**Tele-Reporting Patients**  
(₹ in million)





## Public-Private Partnership (PPP)

# Enhancing efficiency with public-private partnerships

At Krsnaa Diagnostics we adopted the Public-Private Partnership (PPP) model, a credit business approach where services are rendered upfront and reimbursement is received from the government subsequently. The unique PPP model allows us to collaborate with central, state and municipal government-operated health and medical facilities for the deployment and operation of diagnostic centres. It also allows us to partner with several private sector hospitals and health centres to provide advanced diagnostic facilities within their premises.

We have successfully procured long-term tenders for diagnostic service delivery, with pathology tenders spanning 5-10+ years and radiology tenders extending beyond 10 years. It lends stability to our operations and ensures predictable revenue generation over extended periods.

**5-10+** Years

Pathology tenders

**10+** Years

Radiology tenders

To serve a larger customer base, we have expanded our service domain from radiology to pathology. It reflects our agility to respond to market dynamics and evolving consumer needs. It also broadens our service portfolio to encompass a comprehensive range of diagnostic solutions. By diversifying our service offerings, we have strengthened our market position and enhanced our ability to cater to evolving patient needs.

### Radiology Centres under implementation

State	Total Centres	Operational	Under Implementation
Uttar Pradesh	8	5	3
Delhi	1	1	-
DMC	1	-	1
Mira Bhayandhar MC	1	-	1
Rajasthan	1	-	1
Maharashtra	56	10	46
Madhya Pradesh	5	-	5
<b>Total Radiology</b>	<b>73</b>	<b>16</b>	<b>57</b>

### Pathology Centres under implementation

State	Total Centres	Operational	Under Implementation
Mira Bhayandhar MC (Lab)	1	-	1
DMC (Lab)	1	-	1
BMC (Collection Centres)	600	473	127
Assam (Lab)	10	9	1
Assam (Collection Centres)	1,256	237	1,019
<b>Total Pathology</b>	<b>1,868</b>	<b>719</b>	<b>1,149</b>





**B2C Segments**






We aim to expand retail offerings by capitalising on emerging opportunities. Leveraging the strength of existing diagnostics centres, we strive to deliver exceptional solutions, aiming for high brand recall, expansion and customer growth through telereporting and effective branding initiatives.

With an extensive operational footprint and competitive pricing, we ensure affordability without compromising on quality. We also ensure timely service delivery through telereporting, coupled with branding and marketing activities. It facilitates brand recall and enhances customer trust and loyalty.

**Expanding Our Service Portfolio**

We are improving efforts to broaden our reach with an extensive service portfolio. It enables us to serve a wider consumer base and increase market penetration.

**Specialised Tests**

-  Molecular diagnostics
-  Flow cytometry
-  Histopathology & IHC Markets
-  Genetics (NGS)
-  Digital Pathology & AI

Home Collection Hub and Preventive Health check-up

**Phase I**  
Maharashtra, Punjab

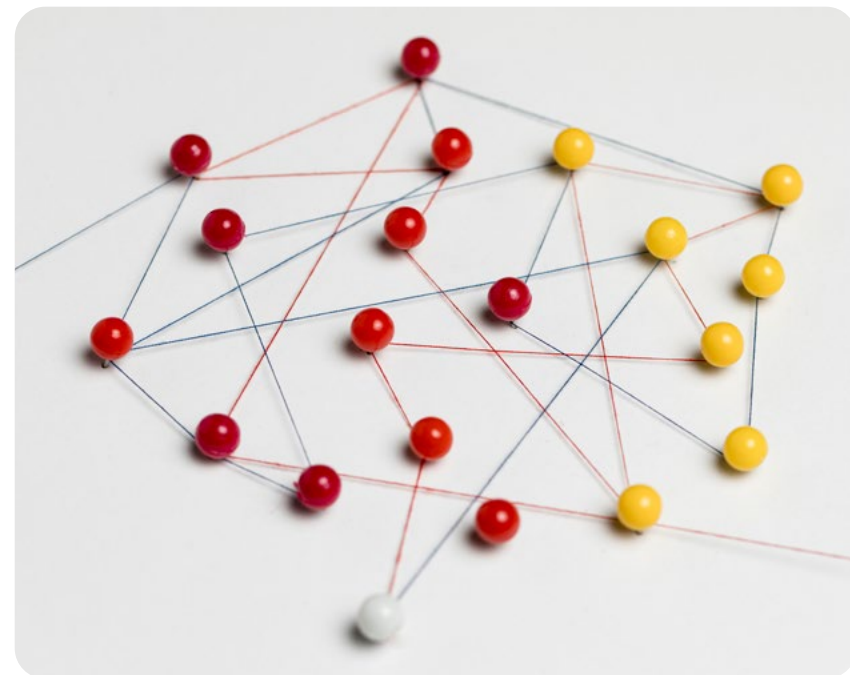
**Phase II**  
Odisha, Assam, Rajasthan

**Diversifying Reach Through Franchisee Model**

Our expansion strategy revolves around the franchisee model, this initiative facilitates our penetration into key markets. Our phased approach targets not only metropolitan areas but also tier 2 and tier 3 cities.

These collection centres will be comprehensively equipped to provide a diverse range of specialised services, spanning genetics, genomics, and molecular diagnostics, alongside routine investigations such as biochemistry, serology, and histopathology.

We are committed to offering comprehensive healthcare solutions for women, encompassing hormone analysis, PCOD management, diabetes monitoring, cardiac health, and cancer care. Through this expansion endeavour, we aspire to extend quality diagnostic services to patients at competitive rates.



**Solidifying The HLM Model**

Hospital Lab Management (HLM) model, is our primary revenue driver. We are strategically expanding the HLM model, with a specific focus on penetrating the private sector. Our objective is to extend technical assistance for lab and diagnostic establishments within hospitals and nursing homes nationwide, with collaboration structured around a commercial revenue-sharing model.

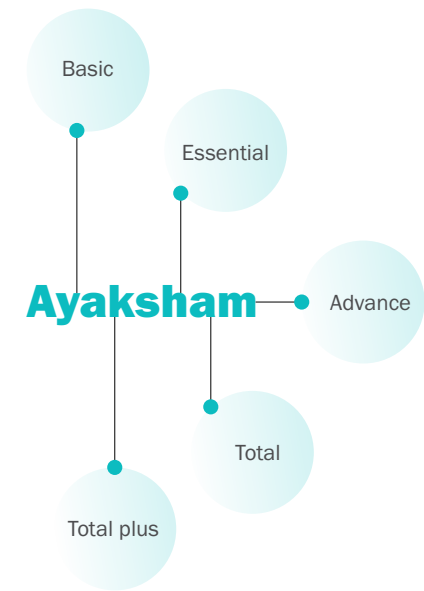
Drawing from our extensive experience managing diagnostic centres within hospitals of varying capacities, ranging from small-scale (100-200 bedded hospitals) to large-scale (150-300 bedded hospitals). We possess the expertise to deliver substantial value through partnerships with healthcare facilities. This involves deploying state-of-the-art technology and equipment sourced from top OEMs, ensuring precise and timely reporting to enhance patient experiences.

Our comprehensive radiology and pathology services distinguish us as a preferred partner for hospitals, enabling us to address diverse healthcare needs and solidify our standing within the industry.

**B2C Initiatives**

**Ayakshyam Wellness Packages**

Our diagnostic centres offer Ayakshyam packages, ranging from basic to total plus, ensuring comprehensive health checkup. These packages cater to diverse needs, providing thorough healthcare solutions.



**Activated Home Collection Hubs**

Our B2C diagnostic services expanded its reach by establishing home collection hubs in key cities including Pune, Mumbai, Jaipur, and more. This move enhances accessibility to healthcare services by saving time for the patient and having flexible report collection.

**B2C private Lab**

We inaugurated our first B2C private labs in Mumbai spanning 15,000 square feet and expanded to Pune, Nashik, Jaipur, and Punjab. This expansion empowers us to deliver cutting-edge diagnostics and personalised healthcare services to communities across the region.

**COCO Centres**

We started with the Company Owned Company Operated centres and we are planning to open more centres in Mumbai and Pune. Through these COCO Centres, we are strengthening our presence and reinforcing our commitment to delivering high-quality healthcare solutions.

**Retail Market Expansion**

We are expanding our retail market reach through our B2C website which offers a wide range of diagnostic services, from blood tests to CT & MRI scans. It enhances convenience with user-friendly navigation, comprehensive services, appointment scheduling, secure payments, and educational resources. Our mobile app digitalises reports, facilitates appointment booking, and locates the nearest centres, simplifying healthcare access.

**Enhancing Visibility and Awareness**

We are amplifying visibility and awareness through in-shop branding, health checkup camps, and promotional branding efforts. These initiatives aim to engage communities and strengthen our presence in target markets.





## Innovation

# Leveraging innovation and advanced technology to enhance healthcare

We leverage technology to improve patient care. With an innovative approach, we continue to redefine medical imaging techniques and testing facilities for improving healthcare diagnosis. Our dedicated R&D teams focus on AI to make major breakthroughs in the field of medical diagnostics.

We also collaborate with startups, universities and research institutes to foster innovation within our operations. Recently, we collaborated with IIT Gandhinagar for new technology adoption, enhancement and innovation.

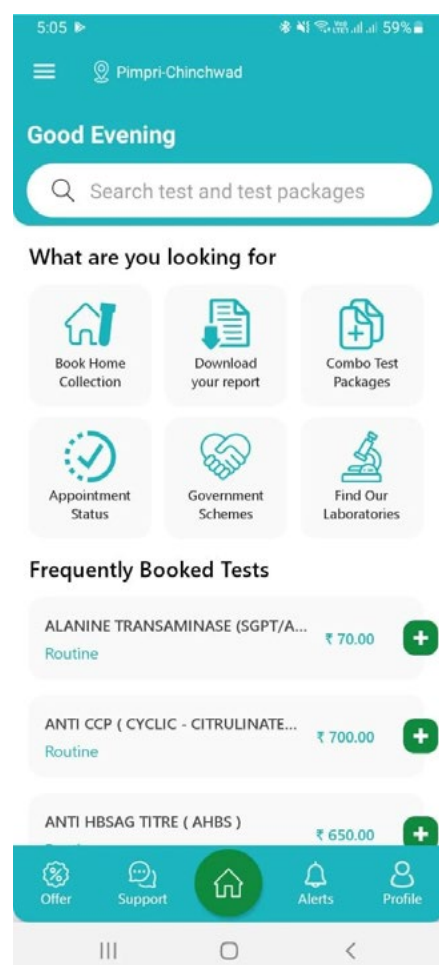
### Patient-Centric Approach

#### Patient App

Our patient app digitises reports and offers Smart Health Reports. It allows patients to access reports in real time. It also provides easy access to both Radiology and Pathology services at the same place. It is also easy to schedule appointments for Radiology tests and home collections.

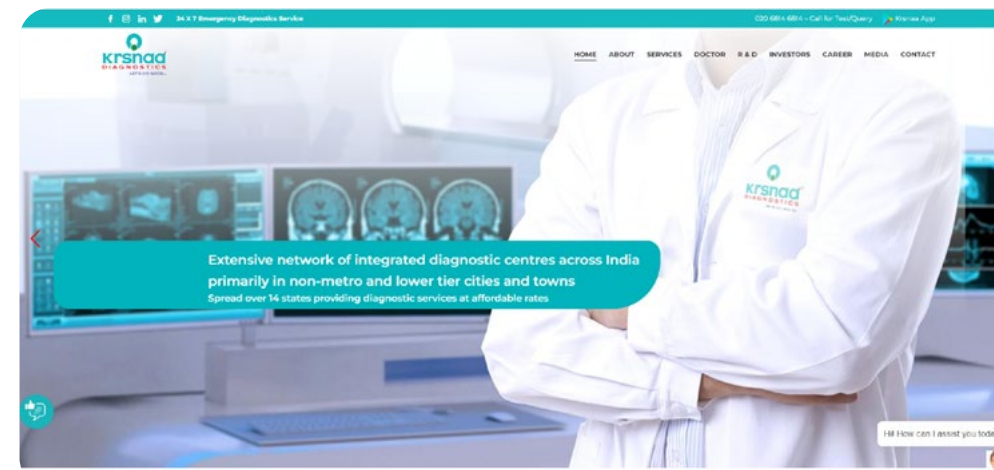
#### Whatsapp Feedback and Reporting

We encourage patients to give feedback about their experiences through WhatsApp. It enables us to identify areas of improvement, continuously improve our services and meet the evolving needs of our clientele.



### B2C Website

This platform provides comprehensive diagnostic services including blood tests and CT & MRI scans, ensuring convenient access to quality healthcare for all. With a user-friendly interface for appointment scheduling, secure payment gateway and access to educational resources, it enhances healthcare accessibility and convenience.



### Quality Management System

Our quality management system is a powerful solution for overseeing Quality and Patient Experience initiatives in diagnostics. It addresses critical needs such as quality, compliance, accreditation, performance and patient experience management. With this tool, we streamline and automate our processes, ensuring overall efficiency and effectiveness.

### Modern Technology

We utilise advanced technology such as SIGNA Architect 3.0T, a state-of-the-art imaging solution from GE Healthcare. This unique MR machine, to be installed in our Delhi PPP Project, promises improved productivity, security and diagnostic excellence. With industry-leading features like increased channel count, improved signal quality and enhanced parallel acceleration, it exemplifies our emphasis on innovation.





## People

# Prioritising an empowered and future-ready workforce

At Krsnaa, we believe our employees are the lifeblood of our organisation, embodying our values, driving innovation and propelling us toward success. Through a culture of collaboration, continuous learning and inclusivity, we empower our employees. From prioritising employee well-being and professional development to rewarding performances, we aim to strengthen our people policies.

## 3,700+

Staff

## 500+

Associated Doctors

### Learning and Development

We identify training requirements from time to time to keep employees updated about latest developments in the industry. We invest in continuous learning through formal programmes, workshops and experiential initiatives, tailored to individual and organisational needs. Employees are encouraged to pursue higher education to foster both personal and professional growth.

### Learning Lunches and Outing

Once a year, each team is taken out to an outing, outside the city. These events include learning sessions beyond team building and morale boosting. Employees benefit from a stress-free and relaxed atmosphere that helps in improving their creativity and keeps them engaged and motivated.

### Competency Assessments

We conduct competency assessments tailored to various employee roles. This has a technical questionnaire and a Behavioural Event Interview (BEI). These assessments aim to verify knowledge and identify training needs, ensuring continual professional development aligned with organisational objectives.

### Krsnaa Cares

The employees are given Krsnaa Cares value cards as a token of appreciation, for adhering to the Company's values of collaboration, agility, respect, empathy and sense of ownership.

### Let Your Ideas Fly

We have designed a platform where innovative ideas are heard and valued. We let our people come up with ideas which may lead to positive outcomes and they are recognised and rewarded accordingly. An effective feedback mechanism is also in place to ensure that all ideas are noted. The platform collates all the ideas to ensure the implementation of constructive ideas.

### Employee Engagement

We aim to create a sense of belonging by celebrating festive occasions and functions together as one big family. We celebrate our foundation day once a year to express gratitude towards the organisation. The annual meeting happens towards the end of the financial year, with goal setting for the next financial year.

### Chai Par Charcha

Our annual Management-Centre Manager Meet ensures collaboration between Management and Centre Managers/Incharges across locations. The goal is to address operational challenges and enhance efficiency by facilitating open dialogue. This session promotes sharing of best practices for improved operations.

### CM/Managers Meet and Greet

The CEO conducts regular reviews with centre managers to ensure timely performance evaluation of employees, teams and centres, ensuring operational efficiency and alignment with organisational goals.

### Skip Level Meetings

Through skip-level meetings, employees engage directly with the Human Resources team. These sessions provide a platform for employees to voice their challenges and failures, thereby creating a supportive environment for open communication and problem-solving.

### Fresh Eye Meet

An assessment is conducted within 30-60 days of joining to ensure a smooth transition into the organisation. It helps to gauge their transition into the organisation and address any potential challenges.

### Employee Benefits

Our employees are provided with benefits in the form of monthly remuneration, provident fund, gratuity, mediclaim, ESIC and financial assistance for medical and educational needs.

### Diversity and Inclusion

We strive to attain cultural diversity and gender balance within our workforce. Currently, we have approximately 50% women employees, which is one of the highest in the country, a reflection of our emphasis on promoting diversity and inclusion within the workplace.

## ~50%

Women workforce

### Employee Wellness

To prioritise employee wellness, we offer various initiatives including yoga/fitness camps, health camps, free diagnostic services for employees, discounted diagnostic facilities for their dependents and financial planning workshops. We promote holistic well-being of our people and provide access to essential healthcare services for our people and their families.

### Testimonials

My journey with Krsnaa began as an auditor in 2015. From the first teleradiology tender for Andhra Pradesh to spearheading operations across the North and Eastern region, I encountered numerous challenges which I successfully overcame and streamlined processes with remarkable results.

Adarsh Karnavat

My journey with Krsnaa began as an HR Executive. Progressing from administrative operations to software project management, strategy development and government licensing, now I am leading nationwide compliance functions as the National Compliance Head-PPP.

Tanuja Dorale

Despite being a Mechanical Engineer, I am currently leading the Biomedical Engineering division of the Company. My career has consistently seen progression, from overseeing labs to production and operational streamlining. My contributions extend to strategic planning for labs, including radiology and pathology.

Shravan Mutha





## Environment

# Driving change, sustainably

At Krsnaa, our decisions prioritise the well-being of both people and the planet. We acknowledge our environmental responsibilities and strive to minimise our impact on the natural ecosystem. Despite exponential operational growth, we remain committed to sustainable practices, to fulfil our contribution towards a better tomorrow.

We regularly conduct assessments to measure our carbon footprint, water consumption and waste generation. We also mitigate the risk of environmental pollution through various initiatives like renewable energy adoption and responsible waste disposal.

### Biomedical Waste Disposal

We adhere to biomedical waste disposal protocols, ensuring compliance with regulatory standards. We safely disposed biomedical waste, demonstrating our commitment to environmental stewardship. Through proper segregation, treatment and disposal, we mitigate potential health and environmental risks.

**43.44** Metric tonnes

Biomedical waste disposed safely



### Energy Management

Our sustainability strategy prioritises the utilisation of renewable energy sources along with the use of innovative energy-efficient technologies. Our goal is to achieve maximum energy efficiency while minimising our environmental footprint.

### Solar Power Adoption

We have installed solar panels across our facilities to reduce our carbon footprint and minimise our reliance on non-renewable energy sources.

**80+** kW

Total solar panel capacity across our facilities



## Social

# Committed to holistic well-being

At Krsnaa, our CSR initiatives are designed to actively engage with government, civil society and communities to address complex challenges. We are committed to creating value for all stakeholders, particularly the underprivileged, enabling them to lead dignified lives.

**1,237**

Lives Touched

**14.34** million

CSR allocation

### Nutritional Food Supplement Kit Distribution

We supported the Nikshay Mitra Programme by distributing Nutritional Food Supplement Kits to TB patients, in alignment with our dedication to improving public health. This initiative aimed to address the nutritional deficiencies often associated with TB to enhance the overall health outcomes of affected individuals in Nagaon and Sonitpur districts, Assam.

**1,007**

TB patients benefitted

### Infrastructure For Schools

We helped to improve the infrastructure of support the Dnyanankur English Medium School. Our support funded the construction of classrooms and a compound wall. This initiative benefitted students as well as the broader community in promoting educational growth and development.

**155**

students benefitted

### Supporting Healthcare Education and Awareness Campaigns

We have supported numerous campaigns centred around healthcare education, disease prevention and improvement of healthcare. These initiatives help to create awareness about infectious diseases, maternal health, hygiene practices and the adoption of healthier lifestyles.

### Provision For Medical Supplies

We have maintained a steady supply of critical medical supplies to healthcare facilities, including hospitals and clinics, ensuring access to essential resources for delivering high-quality patient care.

### Providing Ct-Scan Machines

As part of our dedication to improving healthcare accessibility, we donated advanced CT-Scan machines to charitable hospitals in Rajgurunagar, Pune. It aims to strengthen the diagnostic facilities of these hospitals and facilitate early detection of diseases to improve treatment.

### Funding Health Clinics

We have offered financial support to health clinics in marginalised regions to provide access to fundamental healthcare services in the form of primary care, vaccination, maternal and child healthcare services. Our support aims to bridge healthcare gaps, support underserved communities with essential medical resources and improve overall health.



## Krsnaa Diagnostics Health Checkup Camp, Wakad





## Governance

# Promoting ethical and transparent practices

We have implemented a robust corporate governance framework that prioritises ethical business conduct and transparent disclosures. It also enables us to uphold ethical business practices and build trustworthy relationships with stakeholders. The governance structure adheres to all the requirements of the applicable regulations including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations.



### Our Governance Policies

#### Code of Conduct Policy

Sets out principles and values for governing behaviour of employees, directors and stakeholders.

#### Prevention of Sexual Harassment at Workplace Policy

Ensures a safe and respectful work environment, free from any form of sexual harassment.

#### Nomination, Remuneration and Board Diversity Policy

Focuses on transparent board nominations and remuneration and the promotion of diversity within the leadership team.

#### Corporate Social Responsibility Policy

Guides the organisation's contributions to society through various Corporate Social Responsibility initiatives.

#### Whistleblower Policy

Provides a confidential platform for reporting unethical practices and ensures protection against retaliation.

#### Directors and Officers' Insurance Policy

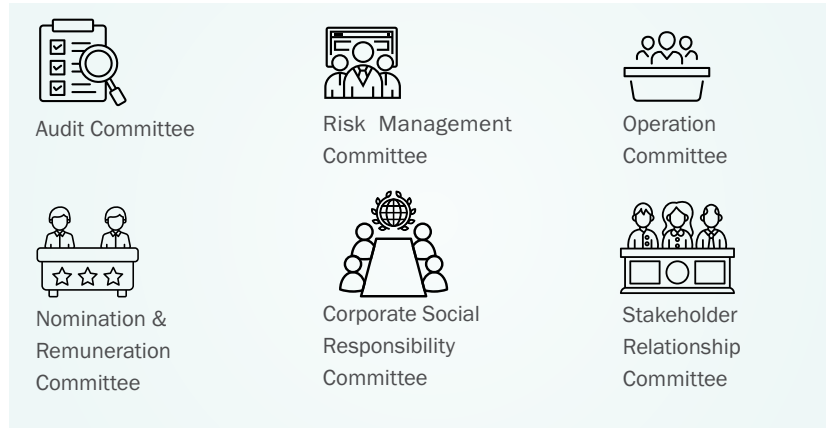
Ensures the future with an insurance policy for its Directors & Officers with a quantum and coverage as approved by the Board.

#### Risk Management Policy

Identifies, assesses and mitigates risks that may impact the Company's operations.

#### Our Committees

The Board has set up committees to fulfil statutory obligations mandated by applicable laws. Through thorough assessments of policy implementation, these committees oversee crucial business operations. Their strategic guidance supports the Board's decision-making process.



#### Whistleblower Policy

The Whistleblower Policy aims to protect the anonymity of individuals who register complaints or grievances against any act of misconduct or unethical dealings within the organisation. The complaints or disclosures are thoroughly investigated, ensuring strict confidentiality and protection against retaliation.

#### Code of Conduct

We prioritise upholding ethical standards, as outlined in our Code of Conduct/ Ethics. The Board of Directors has laid down a Code of Conduct, which applies to all Directors and Senior Management of the Company. Our team members show a constant commitment to uphold ethical values and actively reinforce our internal control system through their actions, guidance and overall conduct.



## Board of Directors

# Our visionary leadership team



**Rajendra Mutha**

Chairman and Whole Time Director

Mr. Rajendra Mutha, the Chairman and Whole Time Director of the Company, brings over two decades of expertise in pharmacy and diagnostics. He is a certified pharmacist accredited by the Maharashtra State Pharmacy Council, leveraging his extensive knowledge to drive the Company's strategic vision and operational excellence.



**Pallavi Bhatevara**

Managing Director

Ms. Pallavi Bhatevara, Managing Director of Krsnaa Diagnostics Limited, brings over a decade of experience in diagnostic services. She leads the Company's expansion and growth strategies, oversees tendering processes, and manages the execution of key projects.



**Yash Mutha**

Joint Managing Director

Mr. Yash Mutha is a seasoned leader with over 18 years of extensive experience in strategy, operations, and overall business management, playing a pivotal role in driving the growth and transformation of our company. He holds a bachelor's degree in commerce from the University of Pune and is a respected associate member of the Institute of Chartered Accountants of India. Additionally, Mr. Mutha holds a Certified Fraud Examiner certificate, accredited by the Association of Certified Fraud Examiners, USA, and Certified Information Systems Auditor (CISA) certificate, certified by the CISA Certification Committee, USA.

Since joining our company in 2017, Mr. Mutha has been a driving force behind our strategic initiatives, overseeing key operational functions, and reinforcing our commitment to innovation and excellence. His leadership as Joint Managing Director has been instrumental in navigating the complexities of the healthcare diagnostics industry, enhancing corporate governance, and fostering sustainable business growth.



**Chetan Desai**

Independent Director

Mr. Chetan Desai is an Independent Director of the Company. He is a Chartered Accountant. With a career spanning 48 years, he retired in 2018 as Managing Partner from M/s. Haribhakti & Co. LLP, a leading CA firm. He has wide knowledge and exposure in the fields of corporate governance, compliance, corporate laws, accounting, auditing and related areas. He also serves as the Chairman of the Audit Committee and is a member of the Nomination and Remuneration Committee of the Board. He is a Director on the Board of a few other Companies.



**Chhaya Palrecha**

Independent Director

Ms. Chhaya Palrecha is the Independent Director of the Company and a member of the Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee of the Board. She is a Chartered Accountant with 25 years of post-qualification experience. Also passed international exams like CISA (ISACA, Illinois USA), US CPA and Dip. IFRS ACCA - UK. She has led finance and accounts functions of various corporate entities for the last 23 years in varied manufacturing and service industries. Since last 9 years she has been serving as an Independent Director on boards of Indian corporates having global footprints.



**Rajiva Ranjan Verma**

Independent Director

Mr. Rajiva Ranjan Verma is an Independent Director of the Company. He superannuated as Director General of Police, Railway Protection Force, Govt. of India, in 2016, after 39 years of service in the public domain. In addition to 30 years of police service in senior capacities in sensitive branches in the state of Bihar, has also held key assignments as Additional/Special Director General in North East & CISF, and as Director General, Bureau of Police Research & Development, National Crime Record Bureau, Civil Defense, Fire Services and Home-guard. He worked with Tata Power for over 5 years, as the corporate chief of Security, Vigilance, and Corporate Relations. He has been associated as Think Tank Member of 'Homeland Security and Committee delving in the matters of Counterfeiting, Smuggling & Illicit Trade', under FIICI. He serves as Chairman of the Risk Management Committee and is a member of the Audit Committee and Corporate Social Responsibility Committee of the Board.



**Adesh Kumar Gupta**

Independent Director

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



**Prem Pradeep**

Nominee Director

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



## Awards and Accolades

# Making every achievement count



**2024**

Best Diagnostic Lab Chain of the Year (West) awarded by Voice of healthcare



**2023**

Krsnaa Diagnostic awarded "Diagnostic Chain of the year 2023" by Economic Times



**2021**

Asia's Best and Fastest Growing Healthcare Brand WCRC Leaders Asia



**2020**

Outstanding Achievement Award in Healthcare Social Causes at the India Excellence Awards by ET Now



**2020**

Best Diagnostic and Imaging Centre of the Year (Asia) at the Asia Healthcare Summit and Awards



**2019**

India's Greatest Brands Award for Healthcare and Diagnostics by Asia One

## Corporate Information

### Board Committees

#### Audit Committee

Mr. Chetan Rameshchandra Desai 🇮🇳  
 Ms. Chhaya Manoj Palrecha  
 Mr. Adesh Kumar Gupta  
 Mr. Rajiva Ranjan Verma  
 Mr. Yash Prithviraj Mutha  
 Mr. Prem Pradeep

#### Risk Management Committee

Mr. Rajiva Ranjan Verma 🇮🇳  
 Mr. Adesh Kumar Gupta  
 Mr. Yash Prithviraj Mutha

#### Nomination & Remuneration Committee

Mr. Adesh Kumar Gupta 🇮🇳  
 Ms. Chhaya Manoj Palrecha  
 Mr. Chetan Rameshchandra Desai  
 Mr. Prem Pradeep

#### Stakeholders Relationship Committee

Mr. Adesh Kumar Gupta 🇮🇳  
 Ms. Chhaya Manoj Palrecha  
 Mr. Yash Prithviraj Mutha

#### Corporate Social Responsibility Committee

Mr. Rajendra Khivraj Mutha 🇮🇳  
 Ms. Pallavi Shantilal Bhatevara  
 Mr. Rajiva Ranjan Verma  
 Mr. Prem Pradeep

#### Operation Committee

Mr. Rajendra Khivraj Mutha 🇮🇳  
 Mr. Yash Prithviraj Mutha  
 Ms. Pallavi Shantilal Bhatevara

🇮🇳 Chairperson

### Chief Executive Officer

Dr. Prashant Pandurangrao Deshmukh

### Chief Financial Officer

Mr. Pawan Daga

### Company Secretary

Mr. Sujoy Sudipta Bose  
 (Appointed w.e.f. August 12, 2023)

Mr. Nikhil Pramod Deshpande  
 (Resigned w.e.f. April 24, 2023)

### Auditors

#### Statutory Auditors

MSKA & Associates,  
 Chartered Accountants

#### Internal Auditors

Mahajan & Aibara,  
 Chartered Accountants LLP

#### Secretarial Auditor

Dinesh Birla & Associates,  
 Company Secretaries

#### Cost Auditors

Harshad S. Deshpande & Associates,  
 Cost and Management Accountants

### Bankers

IndusInd Bank Limited  
 State Bank of India  
 Janata Sahakari Bank Limited

### Registered Office & Corporate Office

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

### Registrar and Transfer Agent

KFin Technologies Limited  
 Selenium, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddi, Telangana - 500032  
 Email: einward.ris@kfintech.com  
 Website: www.kfintech.com

### Corporate Identification Number

L74900PN2010PLC138068

# Management Discussion and Analysis

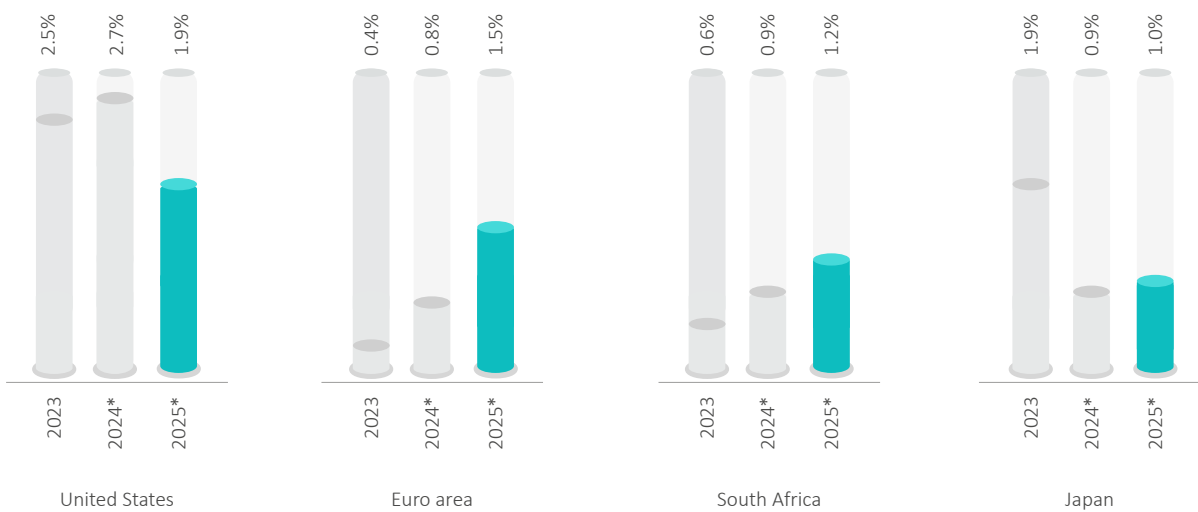
## Economic Overview

### Global Economy

The global economy maintained a steady growth despite facing persistent geopolitical tension in the Europe and the Middle East. In CY 2023, the global economy grew by 3.2%, demonstrating remarkable resilience to substantial disruptions in the financial system for the reported year. For the upcoming years, the high-frequency indicators suggest exponential growth for the Indian economy while the other major economies will show moderate growth.

The global economy weathered challenges remarkably well, however, a dip in the growth rate was observed due to rigid monetary policies. On the other hand, Inflation rates are rapidly decreasing owing to resolution of supply-side issues and the implementation of restrictive monetary policies. The global headline inflation is expected to decrease to 5.9% in 2024 and further to 4.5% in 2025. Overall, the global economy is expected to have positive growth in the coming financial years despite facing turmoil in FY2023.

### Global growth rate



Source: IMF April 2024

\*Projected

### Outlook

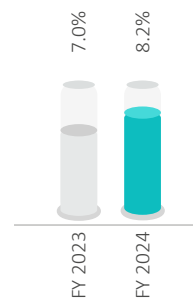
The future holds optimism for both advanced and developing countries' economies. The International Monetary Fund (IMF) predicts global growth rates to be at 3.2% for CY 2024 and FY2025. The United States, in particular, is poised to maintain steady growth, despite facing slight fluctuations in its trajectory. On the other hand, emerging markets and developing economies are showing robust resilience. The economies are expected to maintain steady growth trajectories in CY 2024, with a slight hike in CY 2025. This upsurge can be owed to strong domestic demand, especially in China and India.

### Indian Economy<sup>2</sup>

The Indian economy is one of the fastest-growing major economies and it demonstrated remarkable resilience despite global economic challenges. In FY 2024, the economy's GDP growth was 8.2% in comparison to the FY 2023 of 7.0%. The inflation level reduced from 6.7% in FY 2023 to 5.4% in FY 2024, thereby promoting private consumption among individuals in the country. In addition to this, the strong economic growth of

the country was supported by relevant policies and initiatives undertaken by the Reserve Bank of India (RBI) along with the Indian Government. The Indian Government significantly contributed in the transformation of the economy to a business-friendly environment of the country. This helped in attracting foreign direct investments (FDI) to the economy. In the reported year, foreign direct investment (FDI) flows remained resilient at USD 71.0 billion.

### GDP



Source: Reserve Bank of India

<sup>1</sup><https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

<sup>2</sup>Reserve Bank of India (RBI) Annual Report 2023-24.



## Outlook

The Indian economy is expected to surpass the GDP of Japan and Germany and become the third-largest economy worth USD 5 trillion by CY 2027. The Union Government's efforts to encourage the growth of the economy through capital spending are expected to remain sustained in FY 2025. Accordingly, the Government of India is making the required changes in the economic policies and programs that are expected to contribute to the holistic development of every economic sector. The inflation rate is expected to fall to 4.5% in FY 2025 and as per the anticipation, it will help in the expansion of the Indian economy. Moreover, the general elections in India is expected to bring significantly influence market conditions and regulatory environments, impacting sectors including healthcare and diagnostics with possible changes in government spending and investment priorities.

## Industry Overview

### Indian Healthcare Industry

In terms of revenue and employment, India's healthcare sector has surpassed other sectors to become one of the largest industries in the country. The growth can be owed to a variety of factors, such as a burgeoning population, upsurge of economic growth, and an increase in the income of the people belonging to the middle strata of the society. The healthcare industry has undergone significant changes past decade to accommodate the increase in demand for healthcare services and products by the Government and the citizens of the country.

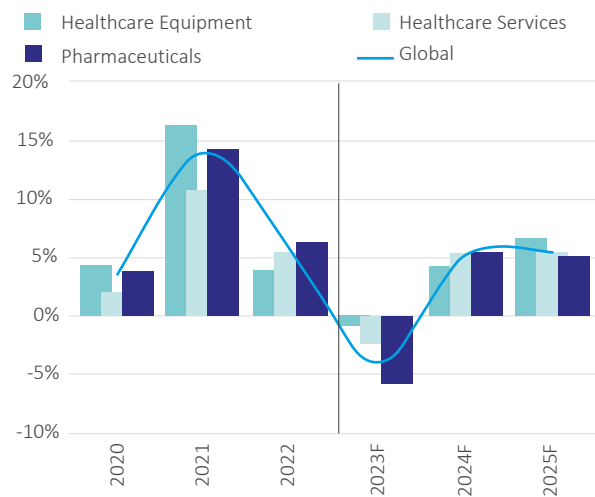
The industry, which is projected to reach over \$610 billion by 2026.<sup>3</sup> This growth is fuelled by the demand for specialized and high-quality healthcare facilities. Key contributors to this growth include hospitals, medical devices, clinical trials, telemedicine, medical tourism, health insurance and increase in the need of

medical and diagnostic equipment. In the light of substantial investments from existing corporate hospital chains and ingress of enterprises backed by private equity investors, the healthcare industry observed robust growth.

Despite development, service accessibility and the provision of quality patient care pose as significant challenges for in the healthcare industry. India is positioned in the lower quartile of the countries surveyed in the Global Burden of Disease Study by the Lancet Medical Journal. However, India's healthcare access and quality index has seen a significant improvement, with a noticeable increase.<sup>5</sup>

Governments' budgeted expenditure on the health sector reached 2.1 per cent of the gross domestic product (GDP) in FY2022-23<sup>6</sup>. It is expected the Government will increase the expenditure to 2.5 percent by FY2025, specially focusing on the underprivileged populations.

### Revenue growth (local currency)



Source: Industry Credit Outlook 2024: Healthcare<sup>4</sup>

F- Forecast

The medical equipment sector is expected to observe an upsurge as investment in healthcare increase.

### Key factors driving the growth of the Indian healthcare sector:<sup>7</sup>



#### Robotics Process Automation (RPA):

RPA is poised to revolutionise healthcare operations by enhancing efficiency, reducing costs and creating a compelling value proposition. Its proficiency in automating routine tasks enables medical professionals to concentrate better on patient care.



#### Shifting Disease Burden:

With the upsurge of Non-Communicable Diseases (NCDs), resulting in 50% of the health burden and 60% of fatalities in India, a paradigm shift towards the prevention and management of chronic conditions has been observed.



#### Policy Support and Incentives:

The incorporation of supportive government policies, including 100% FDI in Greenfield and Brownfield projects and measures to rectify the unfavourable duty structure have fostered a conducive environment for investment. The introduction of a single window clearance e-portal is expected to improve the Ease of Doing Business (EoDB).

<sup>3</sup><https://www.trade.gov/country-commercial-guides/india-healthcare-and-life-science>

<sup>4</sup>[https://www.spglobal.com/\\_assets/documents/ratings/research/101592603.pdf](https://www.spglobal.com/_assets/documents/ratings/research/101592603.pdf)

<sup>5</sup><https://www.trade.gov/country-commercial-guides/india-healthcare-and-life-science>

<sup>6</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=1894902#:~:text=In%20keeping%20with%20this%20objective,1.6%20per%20cent%20in%20FY21.>

<sup>7</sup><https://www.trade.gov/country-commercial-guides/india-healthcare-and-life-science>



#### Atmanirbhar Bharat Abhiyan (Self Reliant India):

Backed by an ₹20 lakh Cr package, ABA aims to boost domestic manufacturing with the intent to reduce dependency on imports.



#### Insurance Coverage:

20% Indians contribute to insurance coverage, however, rapid urbanisation coupled with increase in disposable income can propel the demand for insurance coverage in the coming years. Consequently, this has stimulated the necessitate for quality healthcare services.



#### Emergence of Telemedicine:

Supported by government initiatives such as e-health and tax advantages, expansion of telemedicine has effectively bridged the gap of healthcare reach between rural and urban areas.



#### Medical Infrastructure:

The anticipated investment exceeding \$200 Bn by FY2024 can enhance India's medical infrastructure significantly. This will result in improving the accessibility to quality healthcare services nationwide.



#### Public Private Partnerships :

The Public-Private Partnership (PPP) in healthcare has become an integral component in enhancing the accessibility and affordability of medical services in the country. Additionally, such collaborations have helped in the expansion of the healthcare reach and helped the healthcare industry by integrating advanced technologies and operational efficiencies from the private sector.



#### Ayushman Bharat Jan Arogya Yojana (PM-JAY):

PMJAY is fully funded by the Indian Government health insurance scheme. It provides financial assistance to families for secondary and tertiary hospitalisation. The households are selected based on the occupational background of the families, aiding the growth of health sectors by providing equitable access to medical and health care services to its patients irrespective of their economic background. Further All citizens aged above 70 years will be provided free treatment under the Ayushman Bharat health insurance scheme, President Droupadi Murmu said on 27-Jun-2024 which reinforces the Government's objective of increasing healthcare access to the masses.

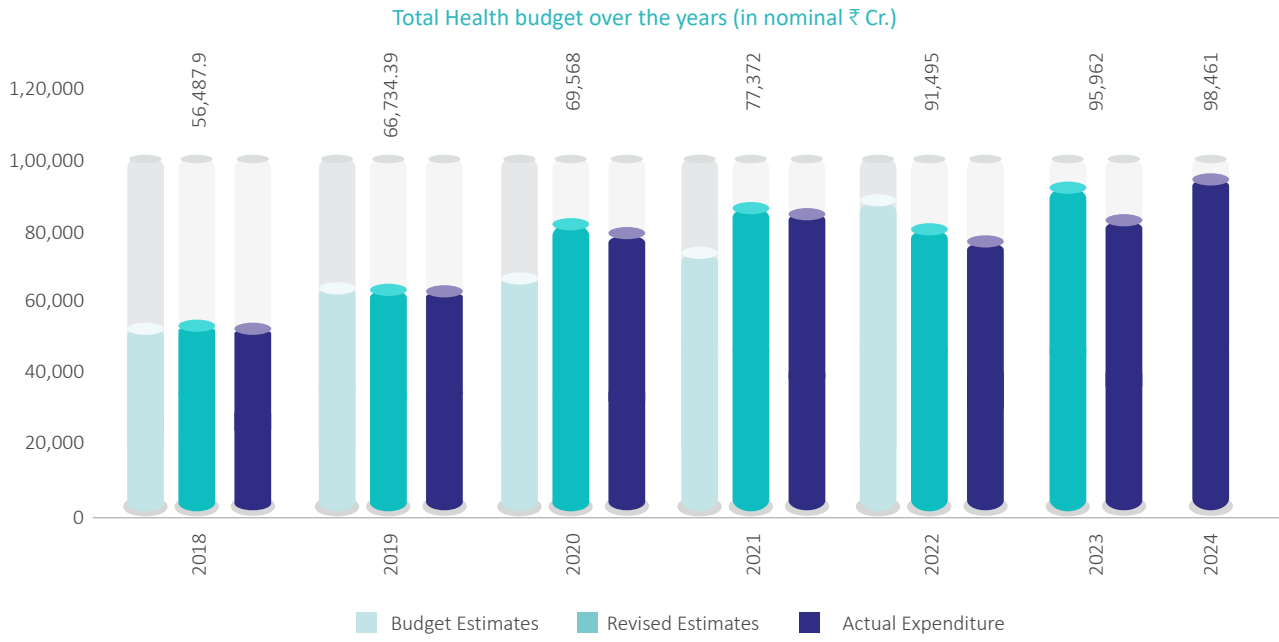
### Government key Initiatives and Policies

The fiscal year 2024 observed a significant 15% increase in budget allocation for healthcare as compared to the previous year. The growth can be owed to various initiatives undertaken by the Government such as the Pradhan Mantri Atmanirbhar Swasth Bharat Yojana (PMASBY), Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) and Pradhan Mantri Jan Arogya Yojana (PMJAY).

The government aims to expend a provisional sum of ₹90,171 crore for healthcare in the coming fiscal year. Establishment of more medical and nursing colleges, rolling out the U-WIN immunisation management platform and the health assurance scheme, Ayushman Bharat to include community health workers and rural child care, are just some of the Government's initiatives to benefit the citizens of India.

<sup>8</sup><https://www.investindia.gov.in/sector/healthcare#:~:text=The%20Indian%20Medtech%20Industry%20was,health%20insurance%2C%20and%20medical%20equipment.>





(Source: India Budget, 2024)<sup>9</sup>

The Government propositions to augment research and development in the healthcare sector and therefore, the budget allocated to biotechnology R&D increased to ₹ 1,100 crore from ₹ 500 crore in the previous year.

The government is focused on preventive healthcare, thereby, plans to include initiatives like cervical cancer vaccinations for young girls aged 9 to 14 and extending health coverage under the Ayushman Bharat scheme to include ASHA workers, Anganwadi workers and helpers. The Budget further emphasises upon the upgradation of Anganwadi centres to provide quality nourishment and early childhood care. The nationwide rollout of the U-WIN platform for managing immunization and vaccination campaigns<sup>10</sup> will also enable the citizen to reap the benefits of the initiatives rolled out by the Government.

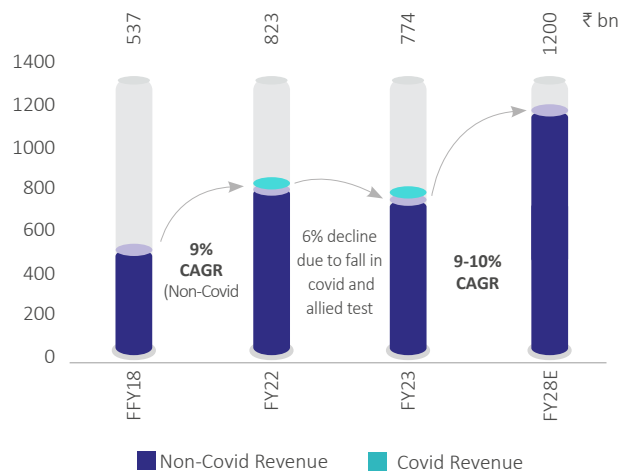
### Indian Diagnostic Industry

The diagnostic sector plays an important role in the Indian healthcare industry. It helps in recommending essential treatments and monitoring the post-treatment recovery of the patients. The diagnostic centers, also, play a vital role in the healthcare industry by providing critical data related to the health of the patients, thereby, helping the healthcare providers make an informed decisions for the benefit of the patients. In the reported year, an increasing trend of forming partnerships and collaboration is visible in the diagnostic sector. The partnership was especially seen between healthcare technology companies and diagnostic chains / companies.

This further helped the sector to enhance accessibility, increase innovation and spread awareness regarding the health and well-being of individuals. It is also helped in the improvement of the quality of the health services provided to the public. Moreover,

public-private partnerships (PPP), bring a synergetic interaction between the public and private sectors to achieve universal health coverage. Further to this, the collaborations also enhanced the performance of the diagnostic services.

Additionally, the National Health Mission (NHM), emerged as one of the largest schemes by the Ministry of Health and Family Welfare (MoHFW). In the reported year the budget estimate was ₹35,947 crores<sup>11</sup>. Under the National Health Mission, the free essential diagnostic initiative was launched. This initiative aimed to address the high out-of-pocket expenditure for diagnostics and further improve the overall healthcare services. This is further expected to drive the growth of the PPP diagnostics. Further to this, the diagnostic market is expected to observe a significant expansion phase between FY 22-23 and FY 27-28. It is anticipated to reach a market size of ₹1,200 billion, with a Compound Annual Growth Rate (CAGR) of 8-10%.<sup>12</sup>



(Source: CRISIL MI&A)

<sup>9</sup><https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2001136>

<sup>10</sup><https://www.healthcareitnews.com/news/asia/industry-seeks-clarity-indias-2024-tech-investment-health>

<sup>11</sup>National Health Mission Budget Briefs 2023 pdf

<sup>12</sup><https://www.bseindia.com/xml-data/corpfiling/AttachHis/9ad7154a-8c73-4d05-a069-80a45e10b038.pdf>

Low healthcare expenditure coupled with the increasing prevalence of non-communicable ailments and a demography including an aging population are expected to increase the demand for quality diagnostics. Diagnostics involve varied services and products to identify diseases and medical conditions.

Healthcare stands out as a pivotal sector in India, contributing significantly to both economic revenue and job creation. Additionally, the diagnostic segment's expansion is bolstered by factors such as increased healthcare expenditures among an aging demographic, rising incomes, growing awareness of

preventive screenings, advancements in diagnostic technologies, wider healthcare insurance coverage and governmental healthcare initiatives. With low healthcare spending alongside a rising incidence of non-communicable diseases and an aging population, there is a growing demand for high-quality diagnostic services. However it is evident that diagnostics encompass a diverse range of services and products aimed at identifying diseases and medical conditions effectively.

These include:



#### Radiology:

- The increased demand for imaging services is expected to drive the growth of radiology market in India.
- Technological advancements and the adoption of digital radiography are accelerating the expansion of radiology services in the country.



#### Pathology:

- With the increasing requisite for routine diagnostic tests and disease screenings, pathological services contribute significantly to the Indian diagnostic market.
- Pathology labs are expanding their portfolio, offering varied tests for disease detection and monitoring.



#### Microbiology:

- Microbiology services are crucial for diagnosing infectious diseases, guiding treatment decisions in India.
- With the advancements in diagnostic techniques, microbiology sector is undergoing rapid evolution for better pathogen identification and development of enhanced antibiotic resistance drugs.



#### Serology:

- Serology tests play a pivotal role in detecting antibodies and antigens related to infections.
- In the light of increased demand for antibody testing and disease surveillance, the serology sector is observing exponential growth.



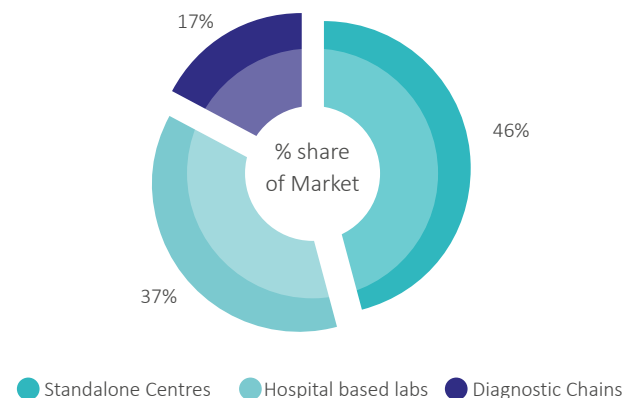
#### Nuclear Medicine:

- The gradual expansion of nuclear medicine services in India into more advanced diagnostic and treatment alternatives using radioactive substances poses significant benefit for the Indian healthcare industry.
- The introduction of new radiopharmaceuticals and imaging technologies have augmented the success of the nuclear medicine sector.

The Indian diagnostic industry is witnessing significant growth across radiology, pathology, microbiology, serology and nuclear medicine. The advancement of technology focusing on preventive healthcare and keeping the interests of population at heart will prove to be beneficial for the industry.

The diagnostic industry is scattered and is divided into pan-India chains and regional chains. Easy entry, low capital needs for light-asset models and lack of strict regulations have led to the fragmentation of the industry.

#### Percentage share of Diagnostic Market in India



(Source: Centrum Institutional Research Report)<sup>14</sup>

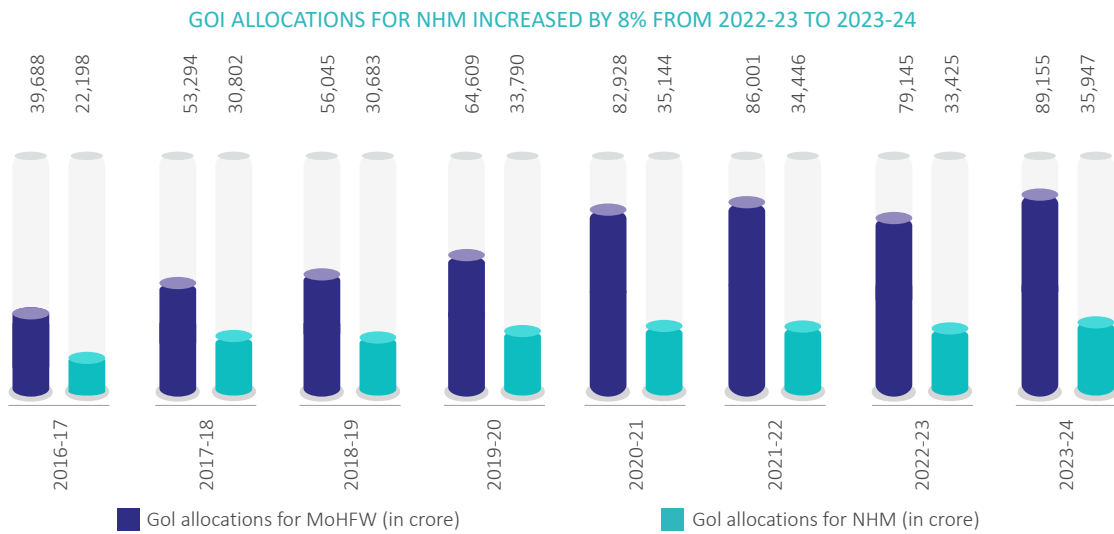
<sup>13</sup>[https://www.careratings.com/uploads/newsfiles/1699261512\\_Indian%20Diagnostics%20Industry\\_CareEdge%20Report.pdf](https://www.careratings.com/uploads/newsfiles/1699261512_Indian%20Diagnostics%20Industry_CareEdge%20Report.pdf)

<sup>14</sup>[https://www.careratings.com/uploads/newsfiles/1699261512\\_Indian%20Diagnostics%20Industry\\_CareEdge%20Report.pdf](https://www.careratings.com/uploads/newsfiles/1699261512_Indian%20Diagnostics%20Industry_CareEdge%20Report.pdf)



The upsurge for the diagnostics sector is supported by a variety of socio-economic developments. With increase in literacy rates, the awareness for quality healthcare services, diagnostics included, is rising. Simultaneously, the growth in disposable income enables a larger demographic to avail these services effectively.

Different socio-economic developments coupled with increased awareness and the need for quality diagnostic services have contributed to the impressive growth of the industry. This underscores the importance of diagnostics in shaping the future of healthcare.



Source: Allocations from Union Expenditure Budget, Volume 2, MoHFW, FY 2017-18 to FY 2023-24. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 1 February 2023.

Note: (1) Figures are in crores of Rupees and are Revised Estimates (REs), except for FY 2023-24 which are Budget Estimates (BEs). (2) NHM allocations include Strengthening of State Drug Regulatory System, Tertiary Care Programme, and Human Resources for Health and Medical Education, and exclude the National AYUSH Mission and the Senior Citizen Health Insurance Scheme.

Source: National Health Mission (NHM) GoI, 2023-24

## Government initiatives

### Union Budget allocation

According to the Union Budget 2024-25, the Department of Health and Family Welfare's budget for FY 2024-25 is set at ₹87,656.90 crores, marking a 12.93% increase from the revised allocation of ₹77,624.79 crores for the previous fiscal year. This additional funding aims to bolster health services and infrastructure. The initial budget for FY 2023-24 was ₹104,683.00 crores, which was later revised to ₹91,633.35 crores. For FY 2024-25, the budget has been increased to ₹109,551.36 crores. This represents a 4.64% increase over the initial 2023-24 budget and a 19.61% increase compared to the revised 2023-24 budget. After accounting for recoveries, the budget reflects a 1.72% rise from the initial 2023-24 budget and a 12.93% increase from the revised 2023-24 allocation<sup>15</sup>.

### Enhancing Diagnostic Access through Tele-Radiology

The shortage of specialist radiologists has been a significant barrier to essential radiological diagnoses for underserved patients. To address this issue, a cost-effective Public-Private Partnership (PPP) model has been developed. This initiative enables the transmission of digitized X-ray films to service providers, who then return the diagnostic reports within a specified timeframe, thus improving access to critical medical evaluations<sup>16</sup>.

### Expanding CT Scan Services in District Hospitals

CT scans are a costly diagnostic tool, and many districts in India lack even a single CT facility. To address this, the National Health Mission (NHM) is supporting states in establishing CT scan services at district hospitals serving populations over 7.5 lakhs through a Public-Private Partnership (PPP) model. This initiative aims to advance healthcare infrastructure in underserved areas while reducing patient expenses.<sup>17</sup>

### Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY)

In the Interim Budget 2024, the government has raised the allocation for the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY), which offers ₹5 lakh per family annually for secondary and tertiary care hospitalization, to ₹7,200 crore. This program covers 12 crore families. The ₹5 lakh coverage limit, established in 2018, is being increased to address inflation and provide additional support for high-cost treatments like transplants and cancer.<sup>18</sup>

### PM-Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)

Introduced in 2020, the PM-Ayushman Bharat Health Infrastructure Mission (PM-ABHIM) is designed to enhance primary healthcare infrastructure by setting up 1.5 lakh Health

<sup>13</sup>[https://www.careratings.com/uploads/newsfiles/1699261512\\_Indian%20Diagnostics%20Industry\\_CareEdge%20Report.pdf](https://www.careratings.com/uploads/newsfiles/1699261512_Indian%20Diagnostics%20Industry_CareEdge%20Report.pdf)

<sup>14</sup>[https://www.careratings.com/uploads/newsfiles/1699261512\\_Indian%20Diagnostics%20Industry\\_CareEdge%20Report.pdf](https://www.careratings.com/uploads/newsfiles/1699261512_Indian%20Diagnostics%20Industry_CareEdge%20Report.pdf)

<sup>15</sup><https://www.indiabudget.gov.in/doc/eb/sbe46.pdf>

<sup>16</sup><https://nhm.gov.in/index1.php?lang=1&level=2&sublinkid=1218&lid=192>

<sup>17</sup><https://nhm.gov.in/index1.php?lang=1&level=2&sublinkid=1218&lid=192>

<sup>18</sup><https://economictimes.indiatimes.com/news/economy/policy/union-budget-2024-govt-mulls-doubling-number-of-ab-pmjay-beneficiaries-insurance-amount/articleshow/111553939.cms?from=mdr>

and Wellness Centers (HWCs) throughout India. According to PRS India, the funding for PM-ABHIM, aimed at developing primary health infrastructure, rose significantly from ₹1,885 crore in the 2022-23 Revised Estimate to ₹4,200 crore in the 2023-24 Budget Estimate, marking a 123% increase<sup>19</sup>.

### Key market drivers

New technologies in diagnostics, such as PCR, NGS and AI, have brought significant changes to the industry, improving the accuracy and momentum of lab work. In India, increase in general awareness have increased the demand for preventive healthcare measures, regular examinations and requisite for quality diagnostic services.

People living in rural areas cannot avail of proper diagnostic services. However, the Government aims to expend more funds and introduce initiatives that will aid the growth of the Public-Private Partnership (PPP) model. This development is expected to outshine the overall growth of the diagnostic sector.

The government is playing an active role in healthcare. By working with the PPP model, the Government aims to make diagnostic services available in both urban and rural areas. This means, everyone irrespective of their geographical location, can access to quality healthcare.

The model underlines the importance of strategic partnerships to improve healthcare, especially in the remote areas.<sup>20</sup>

### Outlook

Healthcare is set to play a significant role in the economy, owing to factors such as introduction of new policies, innovations and investments in the sector. These factors are expected to contribute to the economic growth. A growing demand for digital health solutions is likely to contribute to the growth of the industry and aid in innovation.

The Government aims to invest in increase public health, allocating 2.5% of the Budget by 2025. This initiative accentuates the Government's commitment towards progression to meet the increasing demand for advanced care and specialty hospitals. The future of healthcare appears to be promising, with the integration of advanced technologies, increased funding and a focus on providing quality healthcare.

Growth in the Indian diagnostic sector is driven by rising awareness of preventive testing, technological advancements and India's aging population. AI and machine learning are enhancing diagnostic accuracy and efficiency, while telemedicine and digital health records are improving accessibility and streamlining processes for both patients and providers.

## Company Overview

### Business overview

Being at the forefront of India's diagnostic services sector, Krsnaa Diagnostics Ltd (KDL) has established itself as a distinguished entity of the industry. The Company offers a diverse portfolio of services ranging across radiology, pathology and tele-radiology.

With the vision to change the Indian healthcare landscape, KDL is committed to prioritise affordability, quality and innovation.

Krsnaa Diagnostics emphasises the use of advanced technology and considers delivering quality services at an affordable cost. The Company operates India's first NABH-accredited tele-radiology reporting hub in Pune. The state-of-the-art facility offers continuous, round-the-clock services, efficiently processing a high volume of X-rays, CT scans and MRI scans. This establishment has been instrumental in extending diagnostic services to patients residing in remote areas with limited access to diagnostic facilities, minimising the need for manual intervention while ensuring accurate report generation and comprehensive analysis. In addition to this, Krsnaa Diagnostic was rewarded with Certificate of Accreditation from the College of American Pathologists (CAP). This accreditation marks a significant accomplishment for the Company, as it becomes the only laboratory operating under the PPP (Public, Private, and Partnership) model in India to earn the certification. Moreover, this accomplishment reflects the commitment and the efforts of the team to strive for excellence.

Krsnaa Diagnostics' prides in unrivalled clinical expertise, robust IT-based infrastructure and disruptive pricing strategy. This enables the Company to deliver quality assessments and in-depth analysis while ensuring affordability and accessibility for patients. Radiology tests are offered at rates 45%-60% lower than the market value and pathology services at 40%-80% lower than the market. At Krsnaa Diagnostics, prices for radiology tests are notably more competitive which are significantly undercutting prevailing market rates. Similarly, pathology services at Krsnaa Diagnostics are offered at substantially reduced prices compared to market standards. Backing on a strong financial foundation and impressive record of organic growth, KDL is currently evaluating opportunities for inorganic expansion. This progressive approach is poised to reinforce the Company's status as a leading and innovative diagnostic service provider in India.

### Operations- At a glance

# 17 states

Diagnostic centres  
spanning across

# 1,443

Radiology Tele-Reporting  
centres

# 1,895

Pathology collection  
centres

# 15 Mn+

Patients served in FY24

# ~1.5 lakh

CT and MRI scans per  
month

# ~5 lakh

X- rays per month

<sup>19</sup>PRS India- Demand for Grants 2023-24 Analysis: Health and Family Welfare

<sup>20</sup>[https://nhsrcindia.org/sites/default/files/2022-09/PPP%20BOOK%2027.05.2022\\_0.pdf](https://nhsrcindia.org/sites/default/files/2022-09/PPP%20BOOK%2027.05.2022_0.pdf)



## Business segments

Krsnaa Diagnostics is a leading provider of radiology, pathology and tele-radiology services in India. The Company has been instrumental in transforming the diagnostic landscape across the country. KDL offers a comprehensive range of diagnostic imaging services and clinical laboratory tests, playing a crucial role in disease prognosis, timely detection, diagnostic screening, recognition and monitoring. With operations spanning across 17 states and union territories in India, the Company operates on an expansive network of more than 1800 centre.

### Radiology

The Company offers a diverse portfolio of radiology services, including various imaging modalities such as MRI, CT scans, X-Rays, Mammography, Bone Densitometry, Ultrasound and Colour Doppler. The Company delivers the services through a network of 1,591 centres across the country. These centres are supported by a state of the art research facility and IT backbone which aides in providing detailed reports and analysis to the medical fraternity.

### Pathology

The Company offers a wide spectrum of services, covering all major disciplines of conventional and specialised lab services. This includes biochemistry, haematology, clinical pathology, histopathology, cytopathology, microbiology, serology and immunology. The Company delivers the services through a network of 2,015 centres across the country through a hub and spoke model. It's a one stop center for all pathological related diagnostics requirement. The research team also continuously work towards providing new tests as the need evolves. Additionally, Krsnaa Diagnostics have achieved accreditation

from the College of American Pathologists (CAP), a prestigious recognition as the sole laboratory in India operating under the PPP (Public-Private Partnership) model to receive such certification. This achievement distinguishes the company and underscores the team's dedication and pursuit of excellence.

### Tele-radiology

The Company operates India's 1st NABH accredited tele-radiology reporting hub in Pune. This enterprise is equipped with advanced medico-grade monitors and technology, playing a pivotal role in the Company's operations. The Facility enables people living in the hinterlands to have access to quality diagnostic facilities. Operating through a unique model, Krsnaa Diagnostics partners with hospitals to run diagnostic centres. The Company strongly emphasises upon the public-private partnership (PPP) diagnostics segment.

### Retail Presence

Krsnaa Diagnostics Ltd. has taken a strategic step to expand its presence in the Retail segment. Currently, the Retail segment contributes only 1-2% of the company's overall revenue, indicating substantial growth potential. Leveraging its existing infrastructure and resources in key locations such as Maharashtra, Punjab, Orissa and Assam. KRSNAA aims to expand its Retail business across India. Furthermore, Krsnaa Diagnostics' sustained increase in revenues and profitability demonstrates the efficacy of the company's strong pricing strategy. This approach ensures that the services offered to individual consumers remain competitively priced and accessible, while maintaining the Company's commitment to providing high-quality diagnostic solutions. With diversification into the retail segment, KRSNAA Diagnostics Ltd. is poised to unlock new revenue streams and strengthen its market presence.

Cross selling opportunities provided by the retail segment will assist the Company in proving both preventive check-ups as well post-treatment checkups

Retail presence will help the Company to utilise their assets efficiently and achieve a higher return on capital employed (RoCE)



The Retail segment is beneficial for the Company as it helps in increasing sales and caters to a larger customer base.

Retail benefits the Company by conducting processing and testing through its existing network.

Venturing into Retail segment will assist the Company through better cash flow management as the services are largely prepaid.

## Growth Strategy

Krsnaa Diagnostics is committed to delivering world-class healthcare diagnostic services at affordable rates, while also creating value for shareholders through strong and sustainable growth. The company has outlined several key initiatives that will be prioritized in its future efforts:

- Tapping into the unpenetrated and growing diagnostics markets by actively participating in new (Public Private Partnerships) PPP tenders will help the Company to increase revenue-generating streams and help in further growth.
- The Company is already entrenched and is looking forward to expand its presence in Tier I, II and III cities to meet the rising demand for quality diagnostic services. This is further expected to strengthen the Company's position in the market in these regions as well.
- Leveraging the robust infrastructure of the existing Diagnostics Centres, the Company is poised to capitalise on the varied growth opportunities. This can increase the productive efficiency of the Company.
- The company aims to boost brand awareness by promoting its high-quality services and innovative pricing strategy. It plans to utilize digital marketing channels and actively engage on social media to reach a broader audience. Additionally, the company intends to expand partnerships with key stakeholders to further increase brand visibility.

## Performance review and outlook

In FY2024, the Company achieved revenues of ₹6,196 million, reflecting one of the highest growth rates in the industry. As the only listed entity with a well-diversified business mix, Krsnaa Diagnostics derived 57% of its revenue from radiology and 43%

from pathology. The company has served more than 15 million patients during the year under review. As of FY24, the Company operates with a total of 1,443 Radiology Tele-Reporting Centres and 1,895 Pathology Collection centres.

The company's EBITDA for the year was ₹1,466 million, showing a 18.22% increase compared to the previous year, with an EBITDA margin of 24%. However, Krsnaa Diagnostics recorded a Profit After Tax of ₹568 million for the year under review.

Over the past five years, Krsnaa Diagnostics has experienced rapid growth, establishing itself as one of the fastest-growing diagnostic service providers in India and outpacing its peers. The company's geographical presence expanded from 660+ centers in FY18 to 3,606 centers in FY24.

Krsnaa Diagnostics is committed to building a solid foundation for long-term, sustainable growth. The company remains confident in its ability to maintain this growth momentum. With increasing government focus on high-quality healthcare services and the rising prevalence of public healthcare schemes, including free diagnostics, the PPP model in the diagnostic industry is poised for expansion. Krsnaa Diagnostics is well-positioned to leverage these opportunities and align its business strategies to capitalize on the growing market.

## Outlook

Krsnaa Diagnostics Limited is determined to bridge the gap of quality healthcare provided in the urban and rural area. The Company's relentless initiatives aids the expansion of diagnostic services into the untapped segments of the society. The collaboration of the Central Government (National Health Mission-NHM) and state governments with private partners aims to expand the reach of essential diagnostic services. KDL is known for quality services and effective pricing structures and has emerged as a preferred partner for public health agencies.

## Opportunity and threats

Opportunity	Threat
The expansion of the diagnostic industry in India with a projected CAGR of 8-10% between FY 22-23 and FY 27-28 can be owed to factors such as increase in literacy rate and demand for quality healthcare services.	Challenges in attracting and retaining skilled professionals, particularly in specialised segments such as radiologists and pathologists, could impact service quality and growth.
The Government's commitment to improve healthcare facilities, especially in non-metro and rural areas and partnering with private players under Public-Private Partnership (PPP) model, creates a lucrative opportunity for KDL to expand its footprint.	An increase competition from both prominent diagnostic chains and independent operators poses risks of pricing disputes, consumer loss and decline in market shares.
Tapping into unexplored peri-urban and rural regions can prove to be profitable for KDL through its efficient, asset-light PPP model.	Government contracts might influence cash flow dynamics and necessitate more strategic working capital management.
KDL provides high-quality diagnostic services at competitive pricing, significantly lower than peers, driving customer footfalls and market share gains.	
Expansion into retail segment through initiatives like home collection, preventive health checkups, digital marketing and retail website/app, can help the Company meet the requisites of the growing consumer healthcare market. The retail segment will enable the Company to increase the sales funnel and also to increase the throughput in the existing collection and testing centres	



## Financial Highlights

Key Financial Ratio	FY 23-24	FY 22-23
Revenue	6,196	4,871
EBITDA	1,466	1,240
EBITDA Margin	24%	25%
PAT	568	621
PAT Margin	9%	13%
EPS	17	19
Current Ratio	1.53	2.35

## Risk management

Risk	Description	Mitigation
<b>Competition</b>	An increase in competition between established diagnostic chains and standalone players can potentially lead to fluctuations in pricing, customer attrition and market share loss.	KDL focuses on expanding its geographic footprint, particularly in non-metro and rural areas, where competition is relatively lower. The Company's strong brand equity, competitive pricing and scalable business model help it maintain a competitive edge.
<b>Government Contract Risk</b>	The cyclical nature of payments from government contracts could impact cash flows and working capital management. Dependency on government policies and budgetary allocations for healthcare could also pose risks.	The Company can generate revenue across different regions and verticals, mitigating the risk of concentration. The Company's PPP model, provided long-term contracts revenue visibility. The Company also maintains a strong cash flow and efficient working capital management. Venturing into retail will also reduce the concentration risk
<b>Capital Expenditure</b>	High capital expenditure requirements for radiology equipment, such as CT and MRI machines, could strain financial resources during expansion phases.	KDL leverages its scalable teleradiology hub and centralised operations to optimise resource utilisation, maintenance of a solid financial foundation and continuous generation of funds to support growth initiatives.
<b>Regulatory Risk</b>	Regulatory changes or compliance requirements could impact operations or increase costs.	KDL adheres to stringent quality control measures, including accreditations like NABH and NABL, ensuring compliance with regulatory standards. The Company's experienced leadership team and Board of Directors provide guidance on regulatory matters.
<b>Technological Risk</b>	Technological disruptions or advancements could render existing infrastructure or business operations obsolete, requiring additional investments.	The Company continuously invests in creating a robust infrastructure to stay ahead of its peers. The Company's centralised operations and tele-radiology hub enable efficient implementation of new technologies across its network.
<b>Cybersecurity Risk</b>	Risks associated with storing and handling sensitive patient data and medical records, including potential data breaches or cyber-attacks.	KDL implements advanced cybersecurity measures, including data encryption, access controls and regular security audits, to safeguard patient data and maintain privacy.
<b>Supply chain Risk</b>	Supply chain disruptions or shortages of critical medical equipment or consumables could impact operations and service delivery.	The Company maintains strategic partnerships with leading medical equipment manufacturers and suppliers, ensuring a reliable supply chain. The Company has diversified its supplier base to mitigate supply chain risks.



## Cautionary statement

The Management Discussion and Analysis (MDA) section may contain forward-looking statements regarding potential future developments. These statements involve known and unknown risks and uncertainties that could materially affect final results. In addition to macro-environmental changes, a worldwide pandemic could introduce unforeseen, unprecedented and continuously evolving risks to the Company and its operating environment. The facts and figures in the report are derived from assumptions based on available internal and external data, making them susceptible to change as underlying variables are dynamic. Any forward-looking statement made in this context reflects the Company's current intentions, beliefs or assumptions as of the date it was made. The Company does not undertake to update or revise any forward-looking statements, whether due to new data, unexpected developments or other factors.



# Board's Report

Dear Members,

Your Directors are pleased to present the 14<sup>th</sup> Annual Report (“**this report**”) on the business and operations of Krsnaa Diagnostics Limited (“**the Company**”) (“**your Company**”), along with the Audited Financial Statements for the fiscal year ending March 31, 2024.

## FINANCIAL RESULTS

Below is a summary of the key highlights from the Standalone and Consolidated Audited Financial Statements of your Company for the year ended March 31, 2024:

Particulars	(₹ in million)			
	Consolidated		Standalone	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	6,196.33	4,871.23	5,900.19	4,640.83
Other Income	167.96	193.79	167.96	194.10
<b>Total Income</b>	<b>6,364.29</b>	<b>5,065.02</b>	<b>6,068.15</b>	<b>4,834.93</b>
Operating & Other Expenses	4,753.87	3,648.22	4,438.57	3,398.37
Finance Cost	164.88	76.97	164.66	76.83
Depreciation and Amortization expense	745.47	537.82	745.47	537.82
<b>Total Expenses</b>	<b>5,664.22</b>	<b>4,263.01</b>	<b>5,348.70</b>	<b>4,013.02</b>
Profit Before Tax (PBT)	700.07	802.01	719.45	821.91
Tax Expenses	131.70	180.90	133.84	186.82
Profit After Tax (PAT)	568.37	621.11	585.62	635.09

## FINANCIAL AND OPERATIONAL PERFORMANCE

During the year under review, the revenue from operations of the Company stood at ₹6,196.33 million with an increase of 27% as against the previous year, which is amongst of the highest in the industry.

Your Company has a well-diversified business mix, where Radiology and Pathology contributed 57% and 43% to the total revenue respectively.

EBITDA for the year stood at ₹1,442 Million, representing a 2% decline against the previous year. The EBITDA margin for the year under review stood at 23%. Your company achieved a Profit after Tax stands at ₹568.37 Millions.

During the year under review, the total number of test conducted exceeded 44 million, a growth of 85% on a year-on-year basis.

In the recent years, your company has achieved significant growth, establishing itself as one of India's fastest-growing diagnostic service providers, surpassing its peers. The company expanded its geographical presence from over 660 centers in FY18 to more than 3,600 centers in FY24 almost a six-fold increase. During this period, Revenue from Operations grew at a CAGR of 38%, while Net Profits increased at a CAGR of 46%.

## DIVIDEND

Your Directors are pleased to recommend a Dividend of ₹2.50 (Two Rupees and Fifty Paise Only) per equity share on the face value of ₹5/- (Rupees Five only) each as Final Dividend for the financial year ended March 31, 2024, subject to approval by the Members at the 14<sup>th</sup> Annual General Meeting (“**AGM**”) of the Company.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The policy includes the parameters as set out in Regulation 43A of the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“SEBI Listing Regulations”). The policy is available on the Company's website at <https://krsnaadiagnostics.com/investors/>

The dividend payout ratio, including the proposed final dividend, would be 14.74%.

## TRANSFER TO RESERVES

During the year under review, no amount has been transferred to the General Reserves of the Company from current year profit.

## SHARE CAPITAL

### Authorized Share Capital

During the year under review, there was no change in the Authorized Share Capital of the Company, as on March 31, 2024. The authorized share capital of the Company stood at ₹1,47,15,76,922 (Rupees One Hundred Forty-seven Crore Fifteen Lakh Seventy-Six Thousand Nine Hundred Twenty-Two Only) divided into-

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

### Paid-up Share Capital

During the year under review, the paid-up equity share capital was increased from ₹15,69,88,065 (Rupees Fifteen Crores Sixty-Nine Lakhs Eighty-Eight Thousand and Sixty-Five Only) divided into 3,13,97,613 equity share of ₹5 (Rupees Five only) each to ₹16,14,48,815 (Rupees Sixteen Crores Fourteen Lakhs Forty-Eight Thousand Eight Hundred and Fifteen Only) divided into 3,22,89,763 equity shares of ₹5 (Rupees Five only) each pursuant to allotment of Equity Shares under Krsnaa Employee Stock Option Scheme 2020 (“ESOS 2020”).

The Company on November 27, 2023 has allotted 8,92,150 equity shares under ESOS 2020.

These Equity Shares rank pari passu with the existing Equity Shares of the Company.

During the year under review, your Company has not issued any Equity Shares with differential voting rights, Bonus Shares and Sweat Equity Shares.

## CREDIT RATINGS

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

## SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2024, the Company had 7 (Seven) Wholly Owned subsidiaries as mentioned below.

There has been no material change in the nature of the business of the subsidiaries during the period under review:

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

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

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

Your Company has formulated a Policy for determining Material Subsidiaries. Further, as per the Policy, your Company does not have any Material Subsidiary as on March 31, 2024.

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

## DIRECTORS

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

The appointment and remuneration of Directors are governed by the Policy devised by the Nomination and Remuneration Committee of your Company. The detailed Nomination and Remuneration Policy is contained in the Corporate Governance Section of the report.

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

### 1. Retirement by rotation and subsequent re-appointment

Pursuant to the provision of section 152 of the Act, Mr. Yash Prithviraj Mutha, Director, is liable to retire by rotation and being eligible for re-appointment at the ensuing Annual General Meeting (“AGM”) of the Company, has offered himself for reappointment. His details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India are contained in the accompanying Notice convening the ensuing AGM of the Company. An appropriate resolution seeking the shareholders’ approval to his re-appointment as Director is included in the Notice of the AGM.

## 2. Changes during the period under review

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

Sr. No.	Name of Director	Designation	Appointment/ Resignation	Date
1.	Ms. Pallavi Shantilal Bhatevara	Managing Director	Resignation*	Close of Business hours on March 31, 2024
2.	Mr. Yash Prithviraj Mutha	Joint Managing Director	Appointment**	February 12, 2024

\*Ms. Bhatevara has resigned from the position of Managing Director of the Company and she will continue to act as Whole-Time Director designated as Executive Director of the Company.

\*\*Mr. Mutha has been designated as Joint Managing Director of the Company. Further Mr. Mutha has also been appointed as the Manager of the Company with effect from April 01, 2024.



### 3. Declaration from the Independent Directors

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 of the Act and Rules made thereunder read with Schedule IV as well as Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, all the Independent Directors fulfil the criteria of independence as specified in the Act and Rules made thereunder read with Schedule IV as well as Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent from the Management.

### KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Section 2(51) and 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons have been designated as Key Managerial Personnel of the Company as on March 31, 2024.

Sr. No.	Name of Director	Designation
1	Mr. Rajendra Khivraj Mutha	Chairman and Whole time Director
2	Ms. Pallavi Shantilal Bhatevara*	Managing Director
3	Mr. Yash Prithviraj Mutha**	Joint Managing Director
4	Mr. Pawan Balkisan Daga	Chief Financial Officer
5	Mr. Nikhil Deshpande***	Company Secretary
6	Mr. Sujoy Sudipta Bose****	Company Secretary
7	Dr. Prashant Pandurangrao Deshmukh*****	Chief Executive Officer

\*Ms. Bhatevara has resigned from the position of Managing Director of the Company and she will continue to act as Whole-Time Director designated as Executive Director of the Company;

\*\*Mr. Mutha has been designated as Joint Managing Director of the Company. Further Mr. Mutha has also been appointed as the Manager of the Company with effect from April 01, 2024;

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

\*\*\*\*Mr. Sujoy Sudipta Bose has been appointed as the Company Secretary of the Company w.e.f. August 12, 2023;

\*\*\*\*\* Dr. Prashant Pandurangrao Deshmukh has been appointed as the Chief Executive Officer of the Company w.e.f. February 12, 2024.

### BOARD MEETINGS

Your Board of Directors met 7 (Seven) times during the year under review. The details of the meeting of Board are given in the Corporate Governance Report, which forms an integral part of this Annual Report.

### COMMITTEES OF BOARD

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

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

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

During the year under review, a separate meeting of the Independent Directors was held on Thursday, February 08, 2024, with no participation of Non- Independent Directors or the Management of the Company. The Independent Directors had discussed and reviewed the performance of the Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of the flow of information between the Management and the Board, which is necessary for the Board to effectively and reasonably perform its duties

### COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

### AUDIT COMMITTEE RECOMMENDATIONS

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

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company's CSR Policy statement and report on the CSR activities undertaken during the financial year ended March 31

2024, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this report as “Annexure 4”.

As per the provisions of Section 135 of the Act, every Company falling under the applicability of Corporate Social Responsibility is required to spend 2% of its average net profits of previous three years on the activities given under Schedule VII of the Act, and CSR policy adopted by the Board of Directors.

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

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

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

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

## AUDITORS

### 1. Statutory Auditors

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

M/s. MSKA & Associates, Chartered Accountants, Statutory Auditors have confirmed that they have not been disqualified to act as Statutory Auditors of the Company and that their contribution is within the ceiling limit as per prescribed under section 141 of the Act.

The Auditors have issued an unmodified opinion on the audited financial statements of the Company for the year ended March 31, 2024. The Report given by the Auditors on the financial statements of the Company is part of the report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

### 2. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Rules made thereunder, M/s. Dinesh Birla & Associates, Practicing Company Secretaries, Pune, was appointed by the Board of Directors in their meeting held on August 12, 2023 to conduct the secretarial audit of the Company

for the year ended March 31, 2024. The Secretarial Audit Report is annexed as “Annexure 5” to this Report. The same does not contain any qualification, reservation, adverse remark or disclaimer.

### 3. Internal Auditor

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

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

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

### 4. Maintenance of Cost Records and Cost Auditors

In terms of the Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. Accordingly, such accounts and records were made and maintained for the financial year 2023-24.

M/s. Harshad S. Deshpande & Associates, Cost and Management Accountants, were appointed as the Cost Auditors of the Company to examine the Cost Records and submit the Cost Audit Report. The Company has maintained the required cost accounting records as per the Companies (Cost Records and Audit) Rules, 2014 and is in compliance therewith.

The Board of Directors on the basis of recommendations from Audit Committee has appointed M/s Harshad S. Deshpande & Associates, Cost and Management Accountants, as Cost Auditors of the Company for the Financial Year 2024-25 at a fee of ₹1,25,000 (One Lakh Twenty-Five Thousand Only) plus applicable taxes and out of pocket expenses subject to the ratification of their remuneration by the shareholders of the Company at the ensuing AGM.

## INSTANCES OF FRAUD, IF ANY, REPORTED BY THE AUDITORS

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



## INTERNAL CONTROL SYSTEMS AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

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

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

In addition, the Internal Auditor performs periodic audits in accordance with the pre-approved plan. They report on the adequacy and effectiveness of the internal control systems and provide recommendations for improvements.

Audit findings along with management response are shared with the Audit Committee. Status of action plans are also presented to the Audit Committee which reviews the steps taken by the management to ensure that there are adequate controls in design and operation.

The Certificate provided by Chief Executive Officer and Chief Financial Officer in the Certification Section of the Annual Report discusses the adequacy of the internal control systems and procedures.

## CORPORATE GOVERNANCE REPORT

In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on the Corporate Governance for the Financial Year ended March 31, 2024 along with a certificate from the Practicing Company Secretary on its compliance, forms part of this Report.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report ("BRSR") for Financial Year 2023-24, forms part of this Annual Report.

## MANAGEMENT DISCUSSION AND ANALYSIS

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

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 are provided in the prescribed format and annexed herewith as "Annexure-2" and forms an integral part of this Annual Report.

As per the provisions of Section 136 of the Act, the Annual Report is being sent to the Members and others entitled thereto, excluding the information on employees' remuneration particulars as required under Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosure is available for inspection by the Members at the Registered Office of your Company during business hours on all working days of the Company up to the date of the ensuing AGM. Any Member interested in obtaining a copy thereof, may write an email to [cs@krsnaa.in](mailto:cs@krsnaa.in).

The Directors affirm that the remuneration is as per the remuneration policy of the Company.

## EMPLOYEES STOCK OPTION PLAN / SCHEME

During the year under review, there has been no material change in the existing ESOP Scheme of the Company and the same have been implemented in compliance with relevant/applicable ESOP Regulations/Guidelines.

During the year under review, 8,92,150 options were exercised by the eligible employees under Krsnaa Employees Stock Option Scheme 2020 ("ESOS 2020").

The details of ESOS 2020 pursuant to Section 62 of the Act read with Rules made thereunder and SEBI (Share Based Employee Benefits) Regulations, 2014 are annexed to this Annual Report as "Annexure 3".

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

Your Company has a policy on Prevention of Sexual Harassment ("POSH") at workplace and has put in place a Redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, no case was filed with the POSH committee. Thus, there were no complaints pending as on March 31, 2024.

## DISCLOSURE RELATED TO INSOLVENCY AND BANKRUPTCY

Not Applicable

## DETAILS OF ONE-TIME SETTLEMENT WITH BANK

Not Applicable

## PUBLIC DEPOSITS

During the year under review your Company has not accepted any deposits from the public in terms of Section 73 and Section 74 of the Act read with The Companies (Acceptance of Deposits) Rules 2014.

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

As required by the Act, read with the Companies (Accounts) Rules, 2014, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo is given as below:

### A. Energy conservation measures taken:

The Company has always been on the lookout for energy efficient measures of operation and values energy conservation through efficient utilization of the latest technologies. Efforts have been made to ensure optimal usage of energy, avoid wastage and conserve energy. As an ongoing process the Company continues to undertake energy conservation measures to minimize the usage of energy. Continuous monitoring of floor areas after normal working hours and switching off lights. Gradual transition to minimal paper-based processes, Periodic UPS and AC maintenance to ensure efficient working of equipment. All machinery and equipment are being continuously serviced, updated and overhauled to maintain them in good and energy efficient condition.

### B. Technology Absorption:

There is no material action on technology absorption under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

### C. Expenditure incurred on Research & Development: NIL

### D. The foreign exchange earnings and outgo during the reporting period is as under:

(in ₹ Million)	
<b>Foreign Exchange Earnings and Outgo</b>	
Foreign exchange inflows	NIL
Foreign exchange outflows	5.50

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

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

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

In compliance with the requirements of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party

Transactions which is available on Company's website at <https://krsnaadiagnostics.com/investors/>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions, which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

All related party transaction entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transaction as per the limits specified under Companies Act, 2013 and/ or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was entered during the year under review by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

No material changes and commitments, other than disclosed as part of this report, affecting the financial position of the Company have occurred between March 31, 2024 and the date of the report.

## CHANGE IN NATURE OF BUSINESS

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

## ANNUAL EVALUATION OF BOARD'S PERFORMANCE

A formal evaluation of the performance of the Board, its Committees and the Individual Directors was done in for Financial Year 2023-24 pursuant to the provisions of the Act and Listing Regulations. The evaluation was carried out by the Board of (i) its own performance; (ii) Individual Directors Performance; (iii) Chairperson of the Board; and (iv) Performance of all Committees of Board.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors and Chairperson of the Board was carried out by the Independent Directors

The Directors expressed their satisfaction with the evaluation process.

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



## SIGNIFICANT AND MATERIAL ORDERS

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

## UTILISATION OF IPO PROCEEDS

The Company had appointed ICICI Bank Limited as the Monitoring agency in accordance with Regulation 41(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred as "SEBI ICDR Regulations") to monitor the utilization of IPO proceeds and Company has obtained monitoring reports from the Monitoring agency and filed the same with both stock exchanges where equity shares of the Company are listed.

The proceeds realized by the Company from the initial public offering has been utilized as per objects of the offer as disclosed in the Prospectus of the Company.

		(in ₹ Million)		
Sr. No.	Item Head	Amount to be utilized	Amount utilized as on March 31, 2024	Total unutilized Amount as on March 31, 2024
1	Finance capital expenditure for the proposed expansion	1,508.10	1,358.10*	-
2	Repayment/prepayments of borrowings of our Company	1,460.81	1,460.81	-
3	General Corporate Purpose	813.05	963.05*	-

\*The Company has obtained approval of Board of Director and Audit Committee dated Feb 12, 2024 for change in utilization of IPO proceeds within the specified objects i.e, from Proposed expansion to General Corporate purposes for ₹150 Million (813.05+150 = 963.05).

## COMPLIANCE OF SECRETARIAL STANDARDS

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

## RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy wherein all material risks faced by the Company are identified and assessed. The Company has formed a Risk Management Committee which defines the risk management approach of the Company and includes collective identification of risks impacting the Company's business their process of identification, mitigation and optimisation of such risks. The Risk Management Policy is uploaded on the website of the Company and the said policy is available on the website of the Company at <https://krsnaadiagnostics.com/investors/>.

## ANNUAL RETURN

The draft of Annual Return of the Company in form MGT-7 in accordance with Section 92(3) of the Act is available on the website of the Company at <https://krsnaadiagnostics.com/investors/>.

## DIRECTOR'S RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards and Schedule III of the Act, have been followed along with proper explanation relating to material departures, if any;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair

view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended March 31, 2024;

- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual financial statements have been prepared on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## CEO & CFO CERTIFICATION

Certificate by Dr. Prashant Panduragrao Deshmukh, Chief Executive Officer and Mr. Pawan Balkisan Daga, Chief Financial Officer, pursuant to the provisions of regulation 17(8) of the Listing Regulations, for the year under review was placed before the Board of Directors of the Company at its meeting held on May 18, 2024.

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

## INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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



## DIRECTORS & OFFICERS INSURANCE POLICY

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

## PREVENTION OF INSIDER TRADING

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

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

## CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking

within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

## ACKNOWLEDGMENTS

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

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

**Rajendra Khivraj Mutha**

Chairperson and Whole Time Director  
(DIN: 01066737)

Place: Pune  
Date: August 06, 2024



Annexure- 1

# FORM AOC – 1

(Pursuant to the first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

## Statement containing salient features of the Financial Statement of Subsidiaries

(₹ In Million except as stated)

Sr. No.	Name of Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Occupation	Reporting Currency	Closing exchange rate against Indian Rupee as on Mar 31, 2024	% of Holding	Capital	Other Equity	Total Assets	Total Liabilities	Investments (in subsidiaries)	Turnover	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed Dividend
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1	KDPL Diagnostics (Amritsar) Private Limited	March 24, 2021	India	₹	NA	100%	0.10	(2.49)	4.3	6.69	0.10	50.35	(1.77)	(0.27)	(1.50)	-
2	KDPL Diagnostics (Bathinda) Private Limited	March 24, 2021	India	₹	NA	100%	0.10	(2.78)	2.77	5.45	0.10	50.03	(2.13)	(0.36)	(1.77)	-
3	KDPL Diagnostics (Jalandhar) Private Limited	March 24, 2021	India	₹	NA	100%	0.10	0.79	9.23	8.33	0.10	52.11	1.57	0.55	1.02	-
4	KDPL Diagnostics (Ludhiana) Private Limited	March 24, 2021	India	₹	NA	100%	0.10	(1.61)	5.17	6.68	0.10	52.02	(1.53)	(0.21)	(1.32)	-
5	KDPL Diagnostics (Patiala) Private Limited	March 25, 2021	India	₹	NA	100%	0.10	(0.68)	10.11	10.69	0.10	51.91	(0.48)	0.05	(0.53)	-
6	KDPL Diagnostics (SAS Nagar) Private Limited	March 25, 2021	India	₹	NA	100%	0.10	(0.41)	6.20	6.51	0.10	57.22	2.38	0.79	1.59	-
7	Krisnaa Diagnostics (Mohali) Private Limited	July 27, 2021	India	₹	NA	100%	0.10	(47.27)	30.84	78.01	0.10	302.63	(17.51)	(2.71)	(14.80)	-

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

### A. The ratio of the remuneration paid to each director during the year to the median remuneration of the employees of the Company for the Financial Year:

Sr. No.	Name	Designation	Ratio of Remuneration to the median remuneration of the employees
1	Mr. Rajendra Khivraj Mutha	Chairman and Whole-time Director	121.10
2	Mr. Pallavi Shantilal Bhatevara	Managing Director*	16.62
3	Mr. Yash Prithviraj Mutha	Joint Managing Director**	22.01
4	Mr. Chetan Rameshchandra Desai	Independent Director	-
5	Ms. Chhaya Manoj Palrecha	Independent Director	-
6	Mr. Rajiva Ranjan Verma	Independent Director	-
7	Mr. Adesh Kumar Gupta	Independent Director	-
8	Mr. Prem Pradeep	Nominee Director	-

\*Ms. Bhatevara has resigned from the position of Managing Director of the Company w.e.f. March 31, 2024 and she will continue to act as Whole-Time Director designated as Executive Director of the Company;

\*\*Mr. Mutha has been designated as Joint Managing Director of the Company. Further Mr. Mutha has also been appointed as the Manager of the Company with effect from April 01, 2024.

### B. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary, in the Financial Year:

Sr. No.	Name	Designation	% Increase in Remuneration in the Financial Year
1	Mr. Rajendra Khivraj Mutha	Chairman and Whole-time Director	-
2	Mr. Pallavi Shantilal Bhatevara	Managing Director*	-
3	Mr. Yash Prithviraj Mutha	Joint Managing Director**	-
4	Mr. Chetan Rameshchandra Desai	Independent Director	-
5	Ms. Chhaya Manoj Palrecha	Independent Director	-
6	Mr. Rajiva Ranjan Verma	Independent Director	-
7	Mr. Adesh Kumar Gupta	Independent Director	-
8	Mr. Prem Pradeep	Nominee Director	-
9	Mr. Prashant Pandurangrao Deshmukh	Chief Executive Officer	-
10	Mr. Pawan Balkisan Daga	Chief Financial Officer	-
11	Mr. Nikhil Deshpande	Company Secretary***	-
12	Mr. Sujoy Sudipta Bose	Company Secretary****	-

\*Ms. Bhatevara has resigned from the position of Managing Director of the Company w.e.f. March 31, 2024 and she will continue to act as Whole-Time Director designated as Executive Director of the Company;

\*\*Mr. Mutha has been designated as Joint Managing Director of the Company. Further Mr. Mutha has also been appointed as the Manager of the Company with effect from April 01, 2024;

\*\*\*Resigned w.e.f. April 26, 2023;

\*\*\*\*Appointed w.e.f. August 12, 2023.

### C. Percentage increase in the median remuneration of employees in the Financial Year:

The average percentage increase in the median remuneration of employees in the Financial Year is 3%.

### D. Number of permanent employees on the rolls of the Company:

The number of permanent employees on the rolls of the Company as of March 31, 2024 is 3,700.

### E. 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 the managerial remuneration has been Nil while for others it is about 8%. This is based on the Remuneration Policy of the Company that rewards people differently based on their contribution and also ensures that external market competitiveness and internal relativities are taken care of.

### F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby confirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

**For and on behalf of the Board of Directors**

**Rajendra Khivraj Mutha**

Chairperson and Whole Time Director  
(DIN: 01066737)

Place: Pune  
Date: August 06, 2024

# Details of Employee Stock Option Scheme

## A. Details related to ESOP

Sr. No.	Particulars	Krsnaa Employees Stock Option Scheme, 2020
<b>i)</b>	<b>Description of each ESOP that existed during the year, including the general terms and conditions:</b>	
1.	Date of Shareholders' approval	July 1, 2020
2.	Total number of options / units approved under ESOP	20,46,666
3.	Vesting requirement	1. Options granted under ESOP 2020 would vest not earlier than one year and not later than six years from the date of Grant of such Options. 2. Vesting is subject to continued employment with the Company. 3. Additionally, Compensation Committee (Nomination and Remuneration Committee) may also, if it feels necessary in certain or in all cases, specify certain performance parameters - corporate, individual or a combination- subject to which the Options would vest.
4.	Exercise price or pricing formula	NA
5.	Maximum term of options / units granted (Years)	
6.	Source of shares	
7.	Variation in terms of options / units	
<b>ii)</b>	<b>Method used to account for ESOP</b>	<b>Fair Value</b>
<b>iii)</b>	<b>Movement during the year:</b>	
1.	No. of options / units outstanding at the beginning of the period	18,14,900
2.	No. of options / units granted during the year	2,31,766
3.	No. of options / units forfeited/ lapsed during the year	-
4.	No. of options / units vested during the year	2,26,863
5.	No. of options / units exercised during the year	8,92,150
6.	No. of shares arising as a result of exercise of options / units	8,92,150
7.	Money realized by exercise of options / units (₹). If scheme is implemented directly by the Company	23,19,18,750
8.	Loan repaid by the Trust during the year from exercise price received	N.A.
9.	No. of options / units outstanding at the end of the year	11,54,516
10.	No. of options / units exercisable at the end of the year	5,74,275
<b>iv)</b>	<b>Weighted-average exercise prices ("WAEP") and weighted-average fair values("WAFV") of Options / Units</b>	
1.	Where the exercise price is less than the market price of the stock	<b>Grant on July 01, 2020:</b> Weighted-average exercise prices ("WAEP") = ₹225 and weighted-average fair values("WAFV") = ₹32.07  <b>Grant on January 18, 2021:</b> Weighted-average exercise prices ("WAEP") = ₹350 and weighted-average fair values("WAFV") = ₹72.07  <b>Grant on February 12, 2024:</b> Weighted-average exercise prices ("WAEP") = ₹561 and weighted-average fair values("WAFV") = ₹383.59
2.	Where the exercise price equals the market price of the stock	N.A.
3.	Where the exercise price is more than the market price of the stock	N.A.
<b>v)</b>	<b>Employee wise details (name of employee, designation, number of Options / Units granted during the year, exercise price) of Options / Units</b>	
1.	Senior Managerial Personnel	1. Kunal Kamble: 15,000 2. Sujoy Sudipta Bose: 15,000



Sr. No.	Particulars	Krsnaa Employees Stock Option Scheme, 2020
2.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	1. Dheeraj Tak : 32,942 2. Pankaj Subhash Tak: 32,942 3. Tukaram Vitthal Nanekar: 16,212 4. Akshay Pravin Bumb: 27,670 5. Vipin Dayma: 25,000 6. Abhijit Mahavir Patil: 15,000
3.	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil

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

The assumption used in the model are as follow:

##### Vesting year- Tranche 1

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

\*Weighted average price

##### Vesting year- Tranche 2

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

\*Weighted average price

##### Vesting year- Tranche 3

Sr. No.	Particulars	Vesting period in years			
		1	2	3	4
1	Risk-Free Interest Rate	6.75%	6.78%	6.79%	6.80%
2	Expected Life	3.50	4.50	5.50	6.50
3	Expected Volatility	38.52%	40.51%	39.20%	38.16%
4	Dividend Yield	-	-	-	-
5	Price* of the underlying share in market at the time of the option grant (H)	692.20	692.20	692.20	692.20

\*Weighted average price

For and on behalf of the Board of Directors

Place: Pune  
Date: August 06, 2024

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

## Annual Report of Corporate Social Responsibility for F.Y. 2023-24

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

### 1. Brief Outline on CSR Policy of the Company:

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

#### CSR Policy:

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

#### Major Focused Areas:

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

### 2. Composition of CSR Committee:

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

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

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://krsnaadiagnostics.com/investors/>

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

### 5. Net Profit Calculation:

₹ in Million		
Sr. No.	Particulars	Amount
a)	Average net profit of the company as per section 135(5)	717.16
b)	Two percent of average net profit of the company as per section 135(5)	14.34
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
d)	Amount required to be set off for the financial year, if any	4.03
e)	Total CSR obligation for the financial year ((b)+(c)-(d))	10.31

## 6. Details of CSR Amount Spent:

(₹ in million)

Sr. No.	Particulars	Amount
a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)*	14.76
b)	Amount spent in Administrative Overheads	-
c)	Amount spent on Impact Assessment, if applicable	-
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	14.76

\* includes amount of ₹ 04.03 million excess spent carried from the financial year 2022-23

e) CSR amount spent or unspent for the Financial Year:

(₹ in million)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
14.76	NA	NA	NA	NA	NA

f) Excess amount for set off, if any

(₹ in million)

Sr. No.	Particulars	Amount
1	Two percent of average net profit of the company as per section 135(5)	14.34
2	Total amount spent for the Financial Year	14.76
3	Excess amount spent for the financial year [(2)-(1)]	0.42
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.42

7. Details of Unspent CSR amount for the preceding three financial years: NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: NA

**Prashant Deshmukh**

Chief Executive Officer  
(PAN \*\*\*\*\*8573K)

Place: Pune

Date: May 18, 2024

**Rajendra Mutha**

Chairperson of CSR Committee  
(DIN: 01066737)



## Form No. MR 3

### Secretarial Audit Report

(For the year ended March 31, 2024)

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

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

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Krsnaa Diagnostics Limited ("The Company") for the financial year ended on March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended by Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

**(Not applicable to the Company during the Audit Period)**

- e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

**(Not applicable to the Company during the Audit Period)**

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

**(Not applicable to the Company during the Audit Period)**

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

**(Not applicable to the Company during the Audit Period)**

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

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

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

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

**I further report that:**

As on March 31, 2024 the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

**I further report that** during the audit period, The company has allotted 8,92,150 Equity Shares on November 27, 2023 under Employee Stock Option Scheme- 2020 of the Company. Except the above event, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Dinesh Birla & Associates**

Company Secretaries

**Dinesh Birla**, Proprietor

FCS: 7658, CP No. : 13029

PRC No. : 1668/2022

UDIN: F007658F000910549

Place: Pune

Date: August 06, 2024

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

## Annexure A

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

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

### I further report that:

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

**For Dinesh Birla & Associates**  
Company Secretaries

**Dinesh Birla**, Proprietor  
FCS: 7658, CP No. : 13029  
PRC No. : 1668/2022  
UDIN: F007658F000910549

Place: Pune  
Date: August 06, 2024



# Report on Corporate Governance

## 1. Corporate Governance Philosophy:

The Company is dedicated to adopting the highest standards of Corporate Governance to manage its affairs ethically, accountably, transparently, and fairly. This commitment combines legal and management practices to integrate these principles into the Company's decision-making processes, ensuring accurate and timely communication. Our goal is not only to meet but to exceed both stakeholder expectations and legal standards.

We are committed to complying with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('SEBI Listing Regulations'). We view it as our inherent responsibility to protect stakeholder rights and provide timely, accurate, and adequate information regarding our financials, performance, leadership, and governance.

Adhering to the various policies and codes adopted by the Company, in line with regulatory requirements, supports our fulfillment of these responsibilities.

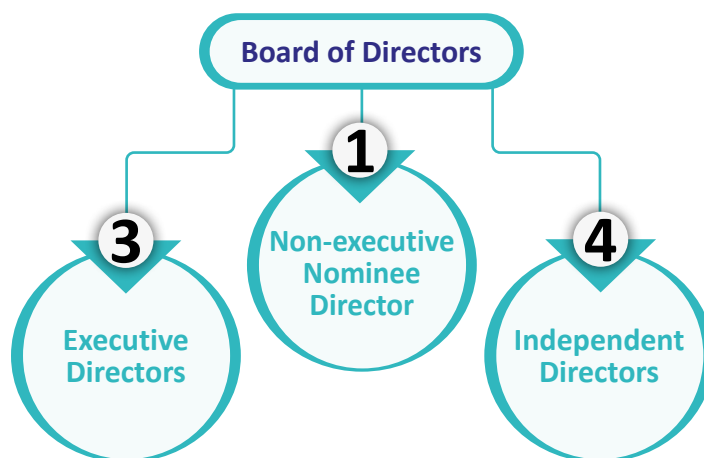
This report highlights the Company's governance practices for the financial year 2023-24, ensuring comprehensive disclosure and adherence to all applicable norms.

### Board of Directors

Our company is managed by a team of professionals under the oversight of the Board. The Board is responsible for formulating the company's strategy, overseeing its operations, and ensuring its long-term success. The Chairperson leads the Board, ensuring its effective functioning by setting meeting agendas, providing directors with necessary information, and fostering open discussion. Independent Directors contribute valuable insights to enhance the company's value for all stakeholders.

To maintain the Board's independence, we have a balanced mix of Executive, Non-Executive, and Independent Directors. This mix is crucial for distinguishing between the two main Board functions i.e. governance and management.

As on March 31, 2024, the Board of Directors comprises of 8 Directors having healthy mix as below:



The Board of our Company consists of highly experienced individuals with reputations in different fields like healthcare, engineering, finance, civil services, and industry leadership. Their diverse backgrounds bring a wealth of knowledge and expertise to the table, helping the Board lead the company effectively. As part of planning for the future, the Board regularly evaluates its makeup to make sure it matches the company's strategy and long-term Vision, Mission and Values.

The Composition of the Board, the number of directorships held by them and other details as on March 31, 2024 is as follows:

Sr. No.	Name of Director	Category of Directorship	Relationship with the Directors	No of Directorship in listed entities including this listed entity	No of Independent Directorship in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of Meetings attended	Attendance of AGM held on September 25, 2023
1	Mr. Rajendra Khivraj Mutha	Chairperson and Whole time Director	None	1	-	-	-	7	Yes
2	Ms. Pallavi Shantilal Bhatevara	Managing Director*	None	1	-	-	-	7	Yes
3	Mr. Yash Prithviraj Mutha	Joint Managing Director**	None	1	-	2	-	7	Yes
4	Mr. Prem Pradeep	Nominee Director	None	1	-	1	-	7	Yes

Sr. No.	Name of Director	Category of Directorship	Relationship with the Directors	No of Directorship in listed entities including this listed entity	No of Independent Directorship in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of Meetings attended	Attendance of AGM held on September 25, 2023
5	Mr. Chetan Rameshchandra Desai	Non-executive – Independent Director	None	3	3	7	5	7	Yes
6	Ms. Chhaya Manoj Palrecha	Non-executive – Independent Director	None	1	1	3	1	7	Yes
7	Mr. Rajiva Ranjan Verma	Non-executive – Independent Director	None	1	1	1	-	7	Yes
8	Mr. Adesh Kumar Gupta	Non-executive – Independent Director	None	5	5	7	2	7	Yes

\*Ms. Bhatevara has resigned from the position of Managing Director of the Company and she will continue to act as Whole-Time Director designated as Executive Director of the Company.

\*\*Mr. Mutha has been designated as Joint Managing Director of the Company. Further Mr. Mutha has also been appointed as the Manager of the Company with effect from April 01, 2024.

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

#### Board Meetings and Annual General Meeting

The Board holds regular meetings to discuss and decide on business policies and strategies, along with other important matters including governance. Notices for these meetings are sent well in advance to all directors.

#### Details of the attendance of Directors at the Board and last AGM

The attendance record of each of the Director at the Board Meetings held during the year 2023-24 and last AGM

held on Monday, September 25, 2023 are provided in the table above.

#### Number of Board Meetings

Following are dates of the Board meetings held for the financial year 2023-24:

- April 14, 2023;
- May 27, 2023;
- July 03, 2023;
- August 12, 2023;
- November 03, 2023;
- November 08, 2023 and;
- February 12, 2024.

The shareholding of Directors of the Company as on March 31, 2024 is as follows:

Sr. No.	Name of Director	Nature of Directorship	No. of Equity Shares held
1	Mr. Rajendra Khivraj Mutha	Chairperson and Whole-time Director	80,29,920
2	Ms. Pallavi Shantilal Bhatevara	Managing Director*	3,00,806
3	Mr. Yash Prithviraj Mutha	Joint Managing Director**	2,19,855
4	Mr. Chetan Rameshchandra Desai	Independent Director	NIL
5	Ms. Chhaya Manoj Palrecha	Independent Director	
6	Mr. Rajiva Ranjan Verma	Independent Director	
7	Mr. Adesh Kumar Gupta	Independent Director	
8	Mr. Prem Pradeep	Nominee Director***	

\*Ms. Bhatevara has resigned from the position of Managing Director of the Company and she will continue to act as Whole-Time Director designated as Executive Director of the Company.

\*\*Mr. Mutha has been designated as Joint Managing Director of the Company. Further Mr. Mutha has also been appointed as the Manager of the Company with effect from April 01, 2024.

\*\*\*Mr. Prem Pradeep is a Nominee Director appointed on the Board of Directors of the Company to represent PHI Capital Trust - PHI Capital Growth Fund – I holding 49,84,967 (15.44%) shares in the Company.

#### List of Directorship Held in Other Listed Companies

Sr. No.	Name of Director	Nature of Directorship
1	Mr. Rajendra Khivraj Mutha	NIL
2	Ms. Pallavi Shantilal Bhatevara	NIL
3	Mr. Yash Prithviraj Mutha	NIL
4	Mr. Prem Pradeep	NIL
5	Mr. Rajiva Ranjan Verma	NIL

Sr. No.	Name of Director	Nature of Directorship
6	Mr. Chetan Rameshchandra Desai	1. Delta Corp Limited 2. Sula Vineyards Limited 3. Reliance Securities Limited (Debt Listed Company) 4. Reliance Financial Limited (Debt Listed Company)
7	Ms. Chhaya Manoj Palrecha	NIL
8	Mr. Adesh Kumar Gupta	1. Grasim Industries Ltd 2. India Pesticides Limited 3. Vinati Organics Limited 4. Care Ratings Limited

#### Familiarization Programme for the Independent Directors

The Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company including global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes are also presented to the Directors in the Board Meetings.

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

#### Core competencies of the Board of Directors

In context of your Company's business, the Board of Directors have identified the Core Skills/ Expertise/Competencies for it to function effectively and Directors as on March 31, 2024 who possess such core Skills/Expertise/ Competencies as detailed below:

Sr. No.	Name of Director	Business Operations & Management	Technical expertise	Business operations at M Level including industry knowledge	Strategy and planning	Financial, treasury management and taxation expertise	Governance, Compliance and Risk Management
1	Mr. Rajendra Khivraj Mutha	✓	✓	✓	✓	✓	-
2.	Ms. Pallavi Shantilal Bhatevara	✓	✓	✓	✓	-	-
3	Mr. Yash Prithviraj Mutha	✓	✓	✓	✓	✓	✓
4	Mr. Prem Pradeep	-	-	✓	✓	✓	✓
5	Mr. Chetan Rameshchandra Desai	-	-	✓	✓	✓	✓
6	Ms. Chhaya Manoj Palrecha	-	-	✓	✓	✓	✓
7	Mr. Rajiva Ranjan Verma	-	-	✓	✓	✓	✓
8	Mr. Adesh Kumar Gupta	-	-	✓	✓	✓	✓

#### Declaration from Independent Director

The Independent Directors annually confirm that they meet the independence criteria. The Board reviews these confirmations along with disclosed relationships and determines that the Independent Directors satisfy the conditions outlined in Schedule V of the Listing Regulations, ensuring their independence from the Management. Additionally, the Independent Directors have registered their names in the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs, in accordance with Section 150 of the Act and Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.







#### Independent directors' meeting

During the year under review, a meeting solely attended by the Independent Directors was held on Thursday, February 8, 2024. This meeting, which excluded Non-Independent Directors and Company Management, focused on evaluating the performance of Non-Independent Directors and the overall effectiveness of the Board. Additionally, Independent Directors assessed the adequacy, completeness, and timeliness of information sharing between Management and the Board, which is essential for the Board's effective execution of its duties.



## 2. Audit Committee

The Company has a duly constituted Audit Committee and its composition meets the requirements of Section 177 of the Act and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Committee are financially literate and have accounting or related financial management expertise. During FY 2023-24, the Audit Committee met four (4) times i.e. on May 27, 2023, August 12, 2023, November 03, 2023 and February 12, 2024. The details of meetings and attendance are given in below table:

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

 Chairperson       Member

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

### Terms of Reference of Audit Committee:





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

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

### 3. Nomination and Remuneration Committee:

The company has a Nomination and Remuneration Committee that is set up in accordance with Section 178 of the Act and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During FY 2023-24, the Nomination and Remuneration Committee met Four (4) times i.e. on May 27, 2023, July 03, 2023, February 10, 2024 and February 12, 2024. The details of meetings and attendance are given in below table:

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

 Chairperson       Member

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

#### Terms of Reference of Nomination and Remuneration Committee:

a. To be responsible for identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;

b. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

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

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

c. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

d. To devise a policy on diversity of board of directors;

e. To regularly review the Board structure, size, composition and make recommendations to the Board of adjustments that are deemed necessary, in order to ensure an adequate size and a well-balanced composition of the Board and further to make determinations regarding independence of members of the Board;

f. To consider succession and emergency planning, taking into account the challenges and opportunities facing the Company and the skills and expertise therefore needed on the Board, reporting to the Board regularly;

g. To keep under review, the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the market place;

h. To formulate criteria for evaluation of performance of independent directors and the board of directors;

i. To decide on whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

j. To analyze, monitor and review various human resource and compensation matters;

k. Annual performance evaluation of the Chairman of the Company and all Directors including Managing and other Executive Director with respect to their roles as Directors;

l. To ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;

m. To recommend to the Board whether to reappoint a Director/Independent Director at the end of their term of office;

n. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the Company subject to the provision of the law and their service contract;

o. To identify and recommend Directors who are to be put forward for retirement by rotation;

p. Before appointment is made by the Board, to evaluate the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment;



- q. To ensure the development of guidelines for selecting candidates for election or re-election to the Board, or to fill vacancies on the Board;
- r. To consider any other matters as may be requested by the Board;
- s. To frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, by the Company and its employees, as applicable including:
- the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and
  - To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.
- The duties of the Committee in relation to its remuneration function shall be:
- t. To consider and determine, based on their performance and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board and the Key Managerial Personnel, namely,
- i. base salary (the Committee shall also consider the pension consequences of basic salary increases);
  - ii. bonuses and performance-related payments (including profit-sharing schemes);
  - iii. discretionary payments;
  - iv. pension contributions;
  - v. benefits in kind; and
  - vi. share options and their equivalents
- u. To approve the remuneration of other members of the senior management of the Company;
- v. To review and approve compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- w. In relation to the above, the Committee shall at all times give due regard to published or other available information relating to pay, bonuses and other benefits of executives in companies which are comparable to the Company;
- x. To perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- y. To administer the employee stock option scheme/ plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") including the following:
- Determining the eligibility of employees to participate under the ESOP Scheme;
  - Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
  - Date of grant;
  - Determining the exercise price of the option under the ESOP Scheme;
  - The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
  - The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
  - The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
  - The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
  - The grant, vest and exercise of option in case of employees who are on long leave;
  - Allow exercise of unvested options on such terms and conditions as it may deem fit;
  - The procedure for cashless exercise of options;
  - Forfeiture/ cancellation of options granted;
  - Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
    - The number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
    - For this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

- The vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- z. To construe and interpret the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;]
- aa. To consider any other matters as may be requested by the Board; and
- bb. To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

#### The committee is authorized by the Board to:




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

#### 4. Stakeholders Relationship Committee

The company has formed a Stakeholders Relationship Committee in compliance with the guidelines specified under Section 178 of the Act and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During FY 2023-24, the Stakeholders Relationship Committee met once i.e. on February 10, 2024.

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

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

 Chairperson       Member

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

Terms of Reference of the Stakeholders Relationship Committee:

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

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

The committee is authorized by the Board to:





- investigate any activity within its terms of reference;
- seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and

- call any director or other employee to be present at a meeting of the committee as and when required.
- j. If the committee considers it necessary so to do it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.

## 5. Corporate Social Responsibility Committee

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

During FY 2023-24, the Corporate Social Responsibility (CSR) Committee met two (2) times i.e. on August 12, 2023 and November 03, 2023. The details of meetings and attendance are given in below table.

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

 Chairperson       Member

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

various corporate social responsibility programmes undertaken by the Company;




Terms of Reference for the Corporate Social Responsibility Committee:


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

## 6. Risk Management Committee

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

During FY 2023-24, the Risk Management Committee met two (2) times i.e. on July 03, 2023 and November 03, 2023. The details of meetings and attendance are given in below table:

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

 Chairperson       Member

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






Terms of Reference for the Risk Management Committee:

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

## 7. Operation Committee

The Board has constituted an Operations Committee comprises of three executive directors of the Company.

During FY 2023-24, the Operations Committee met Seven (7) times i.e. on April 25, 2023, May 02, 2023, July 05, 2023, October 20, 2023, December 06, 2023, January 27, 2024 and March 04, 2024. The details of meetings and attendance are given in below table:

Sr. No.	Name of the Committee Member	Category	No. of meetings held during the tenure	No. of meetings attended
1	Mr. Rajendra Khivraj Mutha		7	6
2	Ms. Pallavi Shantilal Bhatevara		7	7
3	Mr. Yash Prithviraj Mutha		7	7

 Chairperson       Member

The Company Secretary acts as the Secretary to the Operation Committee

Further, the Board of Directors revised the terms of the Operation Committee during their meeting on February 12, 2024.

Revised Terms of Reference for the Operation Committee are as under:

### A. FINANCE AND TREASURY RELATED

- Authorizing opening / closure of all types of Bank accounts in PAN India / Overseas, if required.
- To open, operate, close, change in authorization / signatory for any current / deposit / safe deposit vault(s), electronic bank account(s), internet bank account(s) / facility, subsidiary general ledger account(s) or any other account with any bank within/outside India. To approve cash management and related commercial arrangements with the banks. To determine authorized signatories for the accounts / facilities.

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

- To borrow money not exceeding ₹25 Crores between two consecutive Board meetings and not exceeding ₹350 crores cumulatively (limit as approved by the Members of the Company).

- To open DEMAT / trading / any other account as may be required to deal in the securities in the name of the company or individuals acting as nominees of the Company.

### B. PROPERTY RELATED AUTHORIZATIONS

- To take/ give on lease / license any immovable property or interest therein, for residence / offices/ diagnostics centers for short / long term and registration of such agreements with the Registrar of Land / Property Records upto a value of ₹5.00 Crores for any individual transaction.
- Authorizing individuals, employees, business coordinators and consultants to complete the formalities in this behalf.

### C. OTHER MATTERS

- To authorize one or more persons to participate and to submit a plan in any corporate insolvency resolution process under Insolvency and Bankruptcy Code, 2016 at National Company Law Tribunal (NCLT) or to participate in bidding/auction of any asset made available under liquidation process at NCLT / liquidator and to make application to NCLT as financial / operational creditor subject to in-principle approval from the Board of Directors.
- To authorize affixing the Common Seal of the Company and re-locate / move the common seal to any place other than the registered office of the Company for documents execution.

- To grant / revoke specific power of attorney / letter of authorization in favour of employees / consultants / attorneys of the Company as and when required for business purposes.
- To apply for registration / assignment of for trademark / copyright and all related matters whether in India or in other country. Represent in case of opposition / objection. Appoint advisor / legal representative for this purpose.
- To set up / take membership of associations of industries and appoint Company's representatives to represent in such associations.

#### D. STATUTORY AND LEGAL MATTERS

- Obtain / renew / surrender license / Letter of Permission or such other registration of the Company with any regulatory / statutory authorities and execute legal undertaking / legal agreement or any document required for this purpose whether in India or other country.
- Participation in any Tender, bid, auction for the purpose of business or property transaction including power to authorize individuals / employees of the Company to represent the Company before various authorities, signing of relevant documents, papers, Agreements, Contracts etc.
- Register / de-register the Company with any Central / State Government authorities, Semi Government authorities, regulatory authorities, statutory authorities, quasi-judicial authorities, local authorities, tax authorities including GST, sales tax, service tax, VAT, DGFT, customs authorities or any other tax/regulatory authority.
- Apply for / surrender / transfer / renew all kinds of utility connections (electricity / landline / water / gas / mobile / internet) at all offices, diagnostics centers locations and for employees and / or installation of radiology / pathology equipments by taking necessary licenses / certificates for starting operations.
- To authorize a person to represent and appoint a lawyer in all kinds of legal matters, investigations by any statutory regulator, in tribunals/ civil courts / magistrate courts / Enforcement Directorate, High Courts, Supreme Court, including filing / withdrawal / settlement of legal cases, writs, of all nature. File cases against third parties under section 138 of the Negotiable Instrument Act and settlement of these cases. Filing of FIR with police authorities in various states and Union Territories.
- To discharge such other functions as may be specifically delegated to the Committee by the Board / shareholders from time to time.

- To do all such acts, deeds and things as may be required for the smooth conduct of the operations of the Company and which does not require specific approval of the Board of Directors of the Company or which has not been delegated by the Board specifically to any other Committee of the Board.

## 8. Remuneration Policy:

- The Company's Remuneration Policy focuses on rewarding performance, assessed through periodic reviews of accomplishments. It aims to attract, retain, develop, and motivate talented executives, encouraging them to drive the Group's strategy and enhance business value. This policy ensures that Directors' remuneration is set at an appropriate level and structure.

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

Your Independent Directors have received sitting fees for every Board Meeting and Committee Meeting that they have attended for the Financial Year 2023-24. No commissions were paid to the NEDs during the Financial year 2023-24.

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

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

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

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

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

The compensation to Non-Executive Independent Directors was paid during the Financial year 2023-24 are as under:

		(₹ in million)
Sr. No.	Name of Non-executive Independent Director	Total Sitting fees paid
1	Mr. Chetan Rameshchandra Desai	1.00
2	Ms. Chhaya Manoj Palrecha	1.05
3	Mr. Rajiva Ranjan Verma	1.00
4	Mr. Adesh Kumar Gupta	1.15

## ii. Performance Evaluation Criteria for Independent Directors:

The Nomination and Remuneration Committee sets the performance evaluation criteria for Independent Directors. These criteria may include factors such as a Director's participation and contribution, commitment, effective use of knowledge and expertise, management of stakeholder relationships, integrity, confidentiality, and independence in behavior and judgment.

## iii. Remuneration to Executive Directors:

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

The details of remuneration paid to Executive Director in FY 2023-24 were as follows:

Sr. No.	Particulars of Remuneration	Name		
		Mr. Rajendra Mutha	Ms. Pallavi Bhatevara	Mr. Yash Mutha
1.	Gross Salary	25.90	3.28	4.21
	(a) Salary as per the provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	50.19
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- As % of profit			
	- Others, If any			
5.	Others	-	-	-
	<b>Total</b>	<b>25.90</b>	<b>3.28</b>	<b>54.40</b>

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

## 9. General Body Meetings

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

Financial Year	Date and Time	Venue	Special Resolution set out at the Meeting
2023-24	September 25, 2023 at 11:00 A.M. (IST)	Meeting Convened through Video Conferencing / Other	1. Ratification of remuneration payable to Cost Auditor for the Financial Year 2023-24;
2022-23	September 27, 2022 at 11:00 A.M. (IST)	Audio Visual Means (OAVM)	2. Ratification of Employee Stock Option Scheme, 2020. 1. Ratification of remuneration payable to Cost Auditor for the Financial Year 2022-23;
2021-22	July 13, 2021 at 05:30 P.M. (IST)		2. Reclassification of Authorized Share Capital and Consequent alteration of Memorandum of Association; 1. Regularization of Mr. Mr. Prem Pradeep as a Non-executive Nominee Director, not retire by rotation

(ii) No extraordinary general meeting of the members was held during FY 2023-24.

(iii) Details of Ordinary resolutions passed through postal ballot, the person who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

The Company had sought the approval of the shareholders by way of an Ordinary Resolutions through notice of postal ballot dated February 12, 2024 to change in designation of Mr. Yash Prithviraj Mutha (DIN: 07285523) as the Joint Managing Director, and appointment as the Manager of the Company, and Change in Designation of Ms. Pallavi Shantilal Bhatevara (DIN: 03600332) to Whole-time Director designated as Executive Director of the Company, which was duly passed and the results of which were announced on April 06, 2024. Mr. Dinesh Shivnarayan Birla (Membership No. FCS 7658), Practicing Company Secretary was appointed as Scrutinizer to scrutinize the postal ballot process by voting through electronic means (remote e-voting). Details of the voting pattern are provided below:

a) Resolution No. 1 Ordinary Resolution - Change in designation of Mr. Yash Prithviraj Mutha (DIN: 07285523) as the Joint Managing Director and appointment as the Manager of the company.



1. Voted in favour of the resolution

<b>Mode of Voting</b> <b>Remote E-voting</b>	Number of members voted- <b>265</b>	% of total numbers of valid votes cast  <b>99.9767%</b>
	Number of votes cast by them - <b>1,79,55,848</b>	

2. Voted against the resolution;

<b>Mode of Voting</b> <b>Remote E-voting</b>	Number of members voted- <b>30</b>	% of total numbers of valid votes cast  <b>0.0233%</b>
	Number of votes cast by them - <b>4,187</b>	

3. Invalid Votes;

Mode of Voting	Total number of members whose votes were declared invalid	% of total numbers of valid votes cast
Remote E-voting	-	-

b) Resolution No. 2 Ordinary Resolution Change in designation of Ms. Pallavi Shantilal Bhatevara (DIN: 03600332) to Whole-time Director designated as Executive Director of the company.

1. Voted in favour of the resolution

<b>Mode of Voting</b> <b>Remote E-voting</b>	Number of members voted- <b>263</b>	% of total numbers of valid votes cast  <b>99.9937%</b>
	Number of votes cast by them - <b>1,81,78,727</b>	

2. Voted against the resolution;

<b>Mode of Voting</b> <b>Remote E-voting</b>	Number of members voted- <b>33</b>	% of total numbers of valid votes cast  <b>0.0063%</b>
	Number of votes cast by them - <b>1,143</b>	

3. Invalid Votes;

Mode of Voting	Total number of members whose votes were declared invalid	% of total numbers of valid votes cast
Remote E-voting	-	-

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular no. 09/2023 dated September 25, 2023 and other relevant Circulars issued by the Ministry of Corporate Affairs ('MCA') from time to time ('MCA Circulars')

## 10. Means of Communications

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

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

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

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

## 11. Additional Shareholders Information

<b>Registered and Corporate Office</b>	: S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka- Haveli Pune MH 411019 IN. Tel No. +91 20-2740 2400 Website: <a href="http://www.krsnaadiagnostics.com">www.krsnaadiagnostics.com</a>
<b>Date of Incorporation</b>	: December 22, 2010
<b>Registration No./CIN</b>	: L74900PN2010PLC138068
<b>Date, Time and Venue of 14<sup>th</sup> AGM</b>	: Saturday, September 21, 2024 at 02:15 P.M. (IST) at S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka- Haveli Pune MH 411019 IN.
<b>Record Date</b>	: Friday, September 13, 2024
<b>Dividend Payment Date</b>	: The final dividend, if approved, shall be paid/credited on or before Monday, October 21, 2024.
<b>Financial Year</b>	: April 01, 2023- March 31, 2024.
<b>Company's Address for Correspondence</b>	: Mr. Sujoy Sudipta Bose Company Secretary & Compliance Officer S.No.243,A-Hissa No.6/6 CTS No.4519, Near Mayur Trade Center, Chinchwad, Pune- 411 019, India Email: <a href="mailto:Investors@krsnaa.in">Investors@krsnaa.in</a> T.: 020 2740 2400 Website: <a href="https://krsnaadiagnostics.com/">https://krsnaadiagnostics.com/</a>
<b>Financial Calendar for 2024-25 (tentative and subject to change)</b>	: April 01, 2024 to March 31, 2025
<b>Financial reporting for the first quarter ending June 30, 2024</b>	: On or before August 14, 2024
<b>Financial reporting for the second quarter ending September 30, 2024</b>	: On or before November 14, 2024
<b>Financial reporting for the third quarter ending December 31, 2024</b>	: On or before February 14, 2025
<b>Financial reporting for the last quarter and year ending March 31, 2025</b>	: On or before May 30, 2025
<b>Annual General Meeting for the year ending March 31, 2025</b>	: On or before September 30, 2025
<b>The shares of the Company are listed on the following Stock Exchanges:</b>	
<b>National Stock Exchange of India Limited</b>	: Exchange Plaza, Plot No. C/1, G Block, Bandra-KurlaComplex, Bandra (E), Mumbai – 400051. NSE Code : KRSNAA
<b>BSE Limited</b>	: PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400001. BSE Code: 543328
<b>ISIN Number of the Company</b>	: INE08LI01020

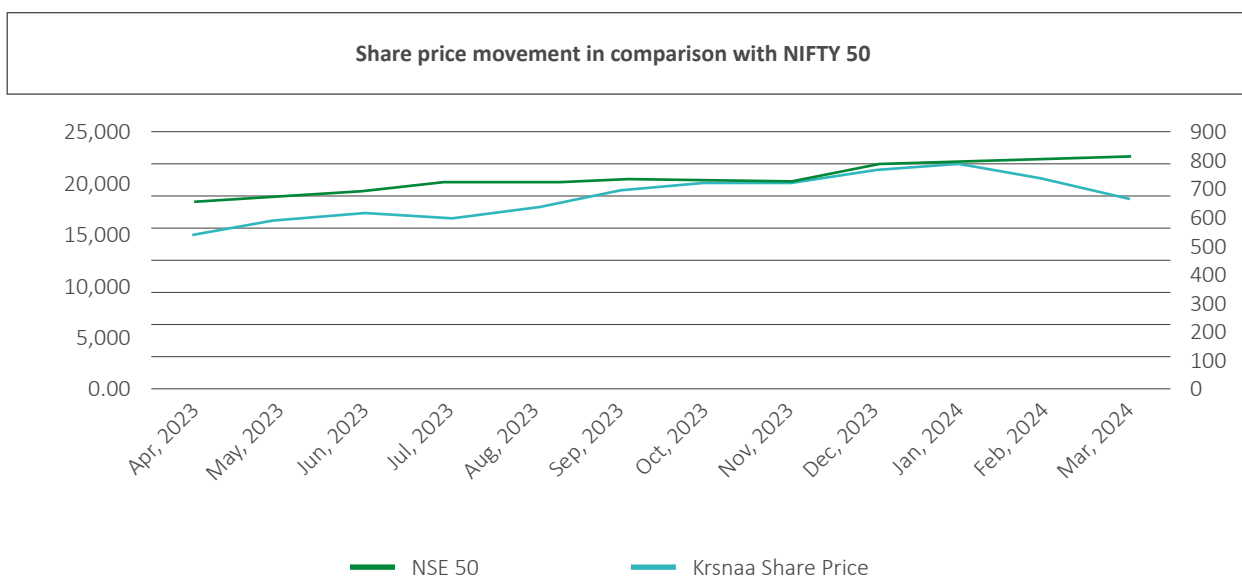
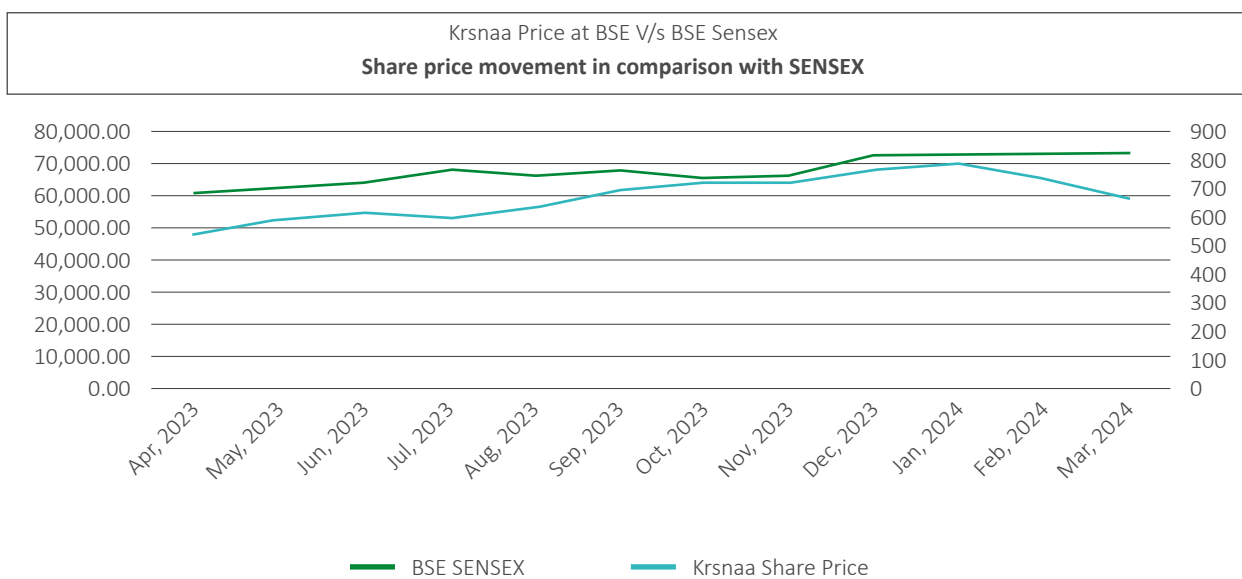
The Company has paid the Annual Listing Fee for the Financial Year 2024-25 to both the Stock Exchanges on which the shares of the Company are listed.

### Market Price Data and Share Price performance:

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

Month	BSE Limited		National Stock Exchange (NSE)	
	High	Low	High	Low
April, 2023	542.45	465.20	542.70	462.00
May, 2023	589.00	495.30	598.95	495.25
June, 2023	609.15	550.05	609.00	551.95
July, 2023	601.60	448.70	601.95	448.60
August, 2023	639.00	482.25	639.00	482.10
September, 2023	699.25	615.40	699.70	615.00
October, 2023	725.00	653.95	727.00	651.10
November, 2023	724.70	611.80	724.00	611.00
December, 2023	767.95	647.10	767.90	645.65
January, 2024	788.60	658.60	734.85	654.60
February, 2024	740.00	645.35	740.15	644.90
March, 2024	670.00	550.05	672.05	555.40

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



### Registrar and Share Transfer Agent:

Kfin Technologies Limited  
Selenium Tower-B, Plot No. 31 & 32,  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad, Telangana-500032

**Contact No.:** 040 67162222

**Email ID:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

### Shareholding Pattern / Distribution as on March 31, 2024

#### a. Distribution of equity Shareholding as on March 31, 2024

Sr. No.	Range	No. of Shareholders	No. of Shares held	% of total No. of shares
1	Upto 500	54,518	20,76,809	6.43
2	501-1,000	892	6,76,754	2.10
3	1,001-2,000	489	7,00,406	2.17
4	2,001-3,000	144	3,55,829	1.10
5	3,001-4,000	71	2,52,607	0.78
6	4,001-5,000	70	3,22,633	1.00
7	5,001-10,000	118	8,44,472	2.62
8	Above 10,000	156	2,70,60,253	83.80
<b>TOTAL</b>		<b>56,458</b>	<b>3,22,89,763</b>	<b>100.00</b>



b. Categories of Equity Shareholding as on 31<sup>st</sup> March, 2024

Category	No. of shares held	% of total share capital
Promoters & Promoters Group	87,27,676	27.03
Public	2,35,62,087	72.97
Mutual Funds	35,67,496	11.05
Alternate Investment Fund	74,530	0.23
Insurance Companies	13,20,970	4.09
Foreign Portfolio Investors Category I	10,64,442	3.30
Foreign Portfolio Investors Category II	14,369	0.04
Directors and their relatives (excluding independent directors and nominee directors)	5,20,663	1.61
Key Managerial Personnel	34,566	0.11
Non-Resident Indians	3,40,931	1.06
Bodies Corporate	69,91,442	21.65
Foreign Companies	4,07,486	1.26
Resident Individuals holding nominal share capital up to ₹2 lakhs	59,88,240	18.55
Resident Individuals holding nominal share capital in excess of ₹2 lakhs	29,63,898	9.18
Others	2,73,054	0.85
<b>TOTAL</b>	<b>3,22,89,763</b>	<b>100.00</b>

**Dematerialization of shares**

As on March 31, 2024, the breakup of the total shares of your Company was as under

Particulars	No. of shares	Percentage of Total Number of Shares
Held in dematerialized form in CDSL	60,17,116	18.63%
Held in dematerialized form in NSDL	2,62,72,647	81.37%
Physical	-	-
<b>Total</b>	<b>3,22,89,763</b>	<b>100.00</b>

**IEPF SHARES**

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend of a Company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

In terms of the foregoing provisions of the Act, there is no dividend which is required to be transferred to the IEPF by the Company during the year ended March 31, 2024

**Outstanding GDRs /ADRs/Warrants or Convertible Instruments:**

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

**Commodity price risk or foreign risk and hedging activities:**

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

**Credit Rating:**

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

**Loans and advances:**

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

**Non-Mandatory Requirements:**

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

- **The Board:** The Executive Chairperson was not reimbursed any expenses during the FY 2023-24 for maintenance of the Chairpersons' office or permanence of his duties.
- **Shareholders' Right:** The quarterly, half-yearly and annual financial results of the Company are published in newspapers and posted on Company's website [www.krsnaadiagnostics.com](http://www.krsnaadiagnostics.com). The same are also available on the websites of stock exchanges, where the shares of the Company are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
- **Modified opinion(s) audit report:** None of the Financial Results/ Statements (Standalone and Consolidated) contain any Modified opinion for the Financial year 2023-24.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting to report their findings of the internal audit to the Audit Committee Members.

## 12. Other Disclosures

### a. Disclosure on materially significant Related Party Transactions

The Company has not entered into any materially significant transactions with the related parties that may have potential conflict with the interests of the Company at large. Transactions with related parties are being disclosed in Note No. 41 to the Standalone Financial Statements of the Company forming part of the Annual Report and are transacted after obtaining applicable approval(s), wherever required. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs which can be accessed at the web link <https://krsnaadiagnostics.com/investors/>

### b. Accounting Treatment:

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

### c. Details of compliances:

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for noncompliance of any matter related to capital markets during the last three years.

### d. Whistle Blower Policy

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations. The Company promotes ethical behaviors in its operations and has a Whistle Blower Policy which is overseen by the Audit Committee. Under the Whistle Blower Policy, employees and stakeholders are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee.

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

- e. Details of Funds Raised Through IPO: The Company has raised ₹12,133.35 millions in financial year 2021-22. Out of the IPO proceeds, the company has received ₹4,000 million for Capital expenses, repayment of debts and general corporate purposes. The Management has fully utilized the funds raised through the Initial Public Offering as per the disclosures made in the prospectus as on March 31, 2024.

A detailed table showing the utilization of funds raised through IPO given as under:

				(₹ in million)
Sr. No.	Objects of IPO	Amount proposed if offer document	Revised Cost	Utilized up to March 31, 2024
1	Finance capital expenditure for the proposed expansion	1,508.10	1,358.10*	1,358.10
2	Repayment/prepayments of borrowings of out Company	1,460.81	1,460.81	1,460.81
3	General Corporate Purposes	813.05	963.05*	963.05
<b>TOTAL</b>		<b>3,781.96</b>	<b>3,781.96</b>	<b>3,781.96</b>

\*The Company has obtained approval of Board of Director and Audit Committee dated February 12, 2024 for change in utilization of IPO proceeds within the specified objects i.e. from Proposed expansion to General Corporate purposes for ₹150 Million

### f. Subsidiaries Companies

As on March 31, 2024, the Company had subsidiary companies as detailed below.

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

The Board of Directors of the Company have also formulated a policy for determining "Material" subsidiaries. The said policy can be accessed at the web link: <https://krsnaadiagnostics.com/investors/>

The Company did not have any material subsidiary during the financial year ended March 31, 2024.

### g. Reconciliation of Share Capital Audit Report

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

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

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

**i. Practicing CS Certification**

A certificate from a Company Secretary in Practice that as on March 31, 2024, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is annexed to this Report as **Annexure** to this report.

**j. Statutory Auditor Fee**

The total fee paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which Statutory Auditor is a part, for all the services during the Financial Year 2023-24 is ₹2.2 million excluding taxes.

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

**l.** During FY 2023-24, neither the Company nor any of its subsidiaries have provided 'Loans and Advances in the nature of loans' to firms / companies in which the Directors are interested.

**13. Business Responsibility and Sustainability Report**

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

**14. Code of Conduct**

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management personnel of the Company. The Code has also been posted on the website of the Company. All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct for the Financial Year 2023-24.

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

**15. CEO/CFO Certification**

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

**16. Compliance Certificate on Corporate Governance**

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

## Code of Conduct

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

I hereby confirm that the Company has obtained from all members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the FY 2023-24.

Place: Pune  
 Date: May 18, 2024

**Prashant Deshmukh**  
 Chief Executive Officer  
 (PAN \*\*\*\*\*8573K)

# CEO & CFO Certification

We, Dr. Prashant Deshmukh, Chief Executive Officer and Pawan Daga, Chief Financial Officer of Krsnaa Diagnostics Limited, in terms of Regulation 17(8) of Listing Regulations read with part B of schedule II, hereby certify to the Board that:

- a) We have reviewed Financial Statements and Cash flow statements for the Financial Year ended March 31, 2024 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in accordance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year under review which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year under review;
  - ii. Significant changes in accounting policies during the year under review and that the same have been disclosed the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware of and the involvement therein, if any, of the management or an employee having significant role in Company's internal control system over financial reporting.

Place: Pune  
Date: May 18, 2024

**Prashant Deshmukh**  
Chief Executive Officer  
(PAN \*\*\*\*\*8573K)

**Pawan Daga**  
Chief Financial Officer  
(PAN \*\*\*\*\*5174E)



# Compliance Certificate on Corporate Governance

To,  
The Members

**Krsnaa Diagnostics Limited**

S.No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1,  
Near Chinchwad Station, Chinchwad, Pune 411019.

I have examined the compliance of conditions of corporate governance by **Krsnaa Diagnostics Limited**, for the year ended on March 31, 2024, under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-Regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

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

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

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

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

For **Dinesh Birla & Associates**  
Company Secretaries

**Dinesh Birla, Proprietor**

FCS: 7658, CP No. : 13029

Peer Review Certificate No. : 1668/2022

UDIN: F007658F000910505

Place: Pune

Date: August 06, 2024

# Certificate of Non-Disqualification of Directors

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

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

For **Dinesh Birla & Associates**  
Company Secretaries

**Dinesh Birla**  
Proprietor

FCS: 7658, CP No. : 13029

Peer Review Cert. No. : 1668/2022

UDIN: F007658F000910428

Place: Pune  
Date: August 06, 2024

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L74900PN2010PLC138068
2.	Name of the Company	<b>Krsnaa Diagnostics Limited</b>
3.	Year of Incorporation	2010
4.	Registered Office Address	S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka, - Haveli
5.	Corporate Address	Pune MH 411019 IN
6.	Email Address	<a href="mailto:investors@krsnaa.in">investors@krsnaa.in</a>
7.	Telephone	020-27402400
8.	Website	<a href="https://krsnaadiagnostics.com">https://krsnaadiagnostics.com</a>
9.	Financial Year Reported	2023- 2024
10.	Name of the Stock Exchanges where shares are listed	BSE Limited, National Stock Exchange of India Limited
11.	Paid-up Capital	16,14,48,815
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Pallavi Shantilal Bhatevara Executive Director +91 20 2740 2400 <a href="mailto:investors@krsnaa.in">investors@krsnaa.in</a>
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	Not applicable for the financial year
15.	Type of assurance obtained	

### II. Products/Services

#### 16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Diagnostic and Related Healthcare Services	The Company is primarily engaged in the business of providing Diagnostic Services primarily in relation to Pathology Investigation, Radiology Investigation and Tele reporting.	100

#### 17. Products/Services sold by the Company (accounting for 90% of the turnover)

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

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices/labs/Centers	Total
National	-	10/268/3338	10/268/3338
International	-	-	-

#### 19. Markets served by the Company

##### a. Number of locations

Locations	Number
National (No. of States)	17*
International (No. of Countries)	-

\*Includes Union Territories

##### b. What is the contribution of exports as a percentage of the total turnover of the Company?

NIL

##### c. Types of customers

Individual patients, Government clients, corporate clients, hospitals, clinics and other healthcare providers are among the customers served by the company.

### IV. Employees

#### 20. Details as at the end of Financial Year

##### a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	3,700	2,228	60.22	1,472	39.78
2.	Other than Permanent (E)	1,352	328	24.26	1,024	75.74
3.	<b>Total employees (D+E)</b>	<b>5,052</b>	<b>2,556</b>	<b>50.59</b>	<b>2,496</b>	<b>49.41</b>
<b>WORKERS</b>						
4.	Permanent (F)					
5.	Other than Permanent (G)			Nil		
6.	<b>Total workers (F+G)</b>					

##### b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	4	4	100	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total differently abled employees (D+E)</b>	<b>4</b>	<b>4</b>	<b>100</b>	<b>-</b>	<b>-</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)					
5.	Other than Permanent (G)			Nil		
6.	<b>Total differently abled workers (F+G)</b>					

#### 21. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25
Key Management Personnel	6	1	16.67



22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

Particulars	FY 2024			FY 2023			FY 2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25.76%	27.51%	38.18%	29.35%	11.25%	40.70%	21.78%	11.30%	33.08%
Permanent Workers	-	-	-	-	-	-	-	-	-

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

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

Sr. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/ Subsidiary/Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	KDPL Diagnostics (Amritsar) Private Limited	Subsidiary	100	No
2	KDPL Diagnostics (Bhatinda) Private Limited	Subsidiary	100	No
3	KDPL Diagnostics (Jalandhar) Private Limited	Subsidiary	100	No
4	KDPL Diagnostics (Ludhiana) Private Limited	Subsidiary	100	No
5	KDPL Diagnostics (Patiala) Private Limited	Subsidiary	100	No
6	KDPL Diagnostics (Sas Nagar) Private Limited	Subsidiary	100	No
7	Krsnaa Diagnostics (Mohali) Private Limited	Subsidiary	100	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes  
(ii) Turnover (in ₹): 5,900.19 million  
(iii) Net worth (in ₹): 8,152.41 million

VII. Transparency and Disclosure Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism Place(Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024			FY 2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, <a href="http://www.krsn.aadiagnostics.com/investors/">www.krsn.aadiagnostics.com/investors/</a>	NIL	NA	NA	NIL	NA	There were no complaints/grievances received from any specific community.
Investors (other than shareholders)	Yes, <a href="http://www.krsn.aadiagnostics.com/investors/">www.krsn.aadiagnostics.com/investors/</a>	NIL	NA	NA	NIL	NA	NA
Shareholders	Yes, <a href="http://www.krsn.aadiagnostics.com/investors/">www.krsn.aadiagnostics.com/investors/</a>	5	NIL	The Company has a Shareholder Grievance Redressal Mechanism Shareholders can email <a href="mailto:investors@krnsaa.in">investors@krnsaa.in</a> and can reach to 020-27402400	17	NIL	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024			FY 2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, <a href="http://www.krsnaadiagnostics.com/investors/">www.krsnaadiagnostics.com/investors/</a>	NIL	NA	The Company has an internal grievance redressal policy. The Human Resource team has a dedicated email for registering complaints. The Company also has a whistle-blower policy along with a dedicated Committee for addressing complaints of Sexual Harassment, if any.	NIL	NA	NA
Customers	Yes, <a href="http://www.krsnaadiagnostics.com/investors/">www.krsnaadiagnostics.com/investors/</a>	124	NIL	A dedicated helpline number, 020-6814 6814, is set up to receive and address customer complaints. Alternatively, an email ID, <a href="mailto:enquiry@krsnaa.in">enquiry@krsnaa.in</a> , is set up for customer complaints.	17	NIL	NA
Value chain partners	Yes, <a href="http://www.krsnaadiagnostics.com/investors/">www.krsnaadiagnostics.com/investors/</a>	NIL	NA	NA	NIL	NA	NA

26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Health risks associated with the workplace affecting employees	R	Workplace health risks can lead to increased employee absenteeism, reduced productivity, and lower morale. By gathering samples from patients with infectious diseases shows significant risk related to health. Failure to address these risks adequately may lead to regulatory non-compliance, resulting in fines and penalties. The cumulative effect of these factors can significantly impact the company's bottom line and long-term sustainability.	The Company has implemented measures to safeguard the well-being of its staff. Regular vaccinations are administered in line with guidelines. Medical insurance is provided to reduce health and financial risks for employees. Financial assistance is offered to the families of staff members who have lost their lives while treating patients. The company also rotates staff involved in sample collection	Negative Implications: These issues can result in higher operational costs, decreased output, and potential loss of skilled workers, which could lower the quality of patient care and raise hiring costs. Additionally, health-related incidents may lead to legal liabilities, compensation claims, and damage to the company's reputation, potentially affecting its ability to attract and retain talent.
2	Workplace Protection	R	Poorly implemented safety measures can lead to workplace accidents, resulting in negative effects like higher absenteeism and an increased Lost Time Rate (LTR).	The Company has put in place a comprehensive safety manual that provides guidelines for all labs within the company. Regular health check-ups are carried out, especially for employees in technical to proactively monitor their well-being.	Negative Implications: Lost Time due to workplace accidents or injuries can create additional challenges for a centers, such as the necessity to pay overtime to complete work.
		O	Effective workplace protection measures can lead to improved employee safety, health, and well-being. This can result in increased productivity, higher job satisfaction, and lower turnover rates.	<ul style="list-style-type: none"> <li>Staff are provided with necessary safety equipment, including eye wash stations, gloves, lab coats, goggles, fire sprinklers, TLD badges and fire extinguishers.</li> <li>Periodic fire drills are conducted to ensure employees are familiar with evacuation procedures and understand their roles during emergencies.</li> <li>The organization follows the Biomedical Waste Management (BMW) rules established by the Central Pollution Control Board (CPCB) guidelines.</li> <li>Strict disinfection protocols are implemented in the centers to maintain a clean and hygienic working environment.</li> </ul>	Positive Implications: The Company can enhance employee safety and well-being, improved morale, and a stronger corporate reputation. This can result in a competitive advantage in attracting and retaining talent, as well as potential cost savings through reduced incidents and improved operational efficiency.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Risk Management	R	Poor risk management can leave the company vulnerable to various threats, potentially leading to significant financial losses, operational disruptions, and damage to reputation. It may result in missed opportunities due to an overly cautious approach or unexpected crises due to overlooked risks. Inadequate risk management can also lead to non-compliance with regulations, resulting in fines and legal issues.	The company collaborates with key stakeholders in the risk management process to ensure that all relevant parties are informed about potential risks and committed to creating strategies to address them.  By involving stakeholders in this process, the company promotes a culture of risk awareness and accountability, resulting in more successful outcomes in risk management.	Negative Implications:  The main risk lies in inadequate or ineffective risk management practices, which can leave the organization vulnerable to various threats and potential losses.
		O	Effective risk management can lead to better decision-making, improved operational efficiency, and enhanced ability to capitalize on opportunities. It can help the company anticipate and mitigate potential threats, reducing the likelihood and impact of adverse events.		Positive Implications:  By proactively aligning important issues with risk mitigation strategies, the company can develop a more resilient and sustainable growth approach.
4	Waste Management	R	Ineffective waste management can lead to environmental pollution, potentially resulting in regulatory fines, legal liabilities, and reputational damage for examples production of biomedical waste as a result of the business activities.	Disposal is carried out by a government-authorized partner, with waste sorted into different color-coded bags that have barcodes. The waste is weighed before being transferred to an authorized vendor. All safety regulations are adhered to from the point of generation until it is handed over to the authority.	Negative Implications:  Improper disposal could result in the spread of diseases and negatively impact the company's social license to operate. If not disposed of properly, it could lead to the spread of diseases and affect the social license to operate. It may also lead to inefficient use of resources, increasing operational costs and reducing profitability.



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)					Yes				
b. Has the policy been approved by the Board? (Yes/No)					Yes				
c. Weblink of the policies, if available							<a href="http://www.krsnaadiagnostics.com/investors/">www.krsnaadiagnostics.com/investors/</a>		
2. Whether the Company has translated the policy into procedures. (Yes/No)					Yes				
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)					Yes				
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	All policies conform to the applicable laws of the country, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and National Guidance on Responsible Business Conduct.								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	The Company is committed to adhering to the nine principles outlined in the National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business, as issued by the Ministry of Corporate Affairs. This dedication underscores the Company's pledge to uphold its responsibilities in these key areas.								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	The Company diligently monitors its compliance with the specified principles and takes necessary actions when required.								
<b>Governance, leadership and oversight</b>									
7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>The Company is deeply committed to ESG principles, spearheading initiatives for responsible operations. It places sustainability at the heart of its corporate activities, focusing on human development, social capital enhancement, and responsible resource management. The Company has made substantial progress in various areas, with dedicated teams ensuring sustainability across key functions. These include biomedical waste disposal, transition to biodegradable bags, water conservation, e-billing adoption, solar panel usage, and rainwater harvesting. Upholding transparency in governance and ethical conduct, the Company continually refines its practices to positively impact society and stakeholders. As a leader in branded diagnostics, it strives to provide affordable, accessible services while improving its ESG performance in line with global standards.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	<p>Ms. Pallavi Shantilal Bhatevara Executive Director DIN: 03600332 Email: <a href="mailto:investors@krsnaa.in">investors@krsnaa.in</a> T.: 020 2740 2400</p>								
9. Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No								

10. Details of review of NGRBCs by the Company:

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

11.	<b>Disclosure Questions</b>	<b>P 1</b>	<b>P 2</b>	<b>P 3</b>	<b>P 4</b>	<b>P 5</b>	<b>P 6</b>	<b>P 7</b>	<b>P 8</b>	<b>P 9</b>
	Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.					No				

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

<b>Disclosure Questions</b>	<b>P 1</b>	<b>P 2</b>	<b>P 3</b>	<b>P 4</b>	<b>P 5</b>	<b>P 6</b>	<b>P 7</b>	<b>P 8</b>	<b>P 9</b>
The entity does not consider the Principle material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)							Not Applicable		

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**Principle 1** Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

### Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Regulatory Updates and IT Updates including Data	100
Key Managerial Personnel	2	Privacy, Information Security and Cyber Security	100
Employees other than Board of Directors and KMPs	9*	Communication & Collaboration, Grooming Standards, Generative AI, HRMS, New Hire Induction, Soft Skills Training, Human Rights, Train the Trainer, Vision, Mission and Values	100
Workers		NA	

\* indicates the types of trainings held during the year.

2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

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

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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NIL

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The Company has established a Code of Conduct (COC) for its Board Members, Senior Management, and Employees. This code strictly prohibits unethical behaviors, including the acceptance of inappropriate gifts, illegal payments, or benefits.

Web-link: [www.krsnaadiagnostics.com/investors](http://www.krsnaadiagnostics.com/investors)

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

	FY 2024	FY 2023
Directors		
KMPs		Nil
Employees		
Workers		

6. Details of complaints with regard to conflict of interest

	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

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

- NIL

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2024	FY 2023
Number of days of accounts payables	46	12

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024	FY 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not Applicable as the Company does not provide its services through dealers/distributors as per the company's services.	
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		

Parameter	Metrics	FY 2024	FY 2023
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

#### Leadership Indicators-

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

Yes, The Company has implemented a Code of Conduct for its Board of Directors, Key Managerial Personnel, and other senior management. This code provides clear guidelines to identify, avoid, and disclose any potential or actual conflicts of interest. The Company ensures compliance with all relevant laws, obtaining necessary approvals before transacting with related entities. To maintain transparency, it collects annual declarations from Directors, Key Managerial Personnel, and Senior Management about their interests in other entities that could lead to conflicts of interest.

### Principle 2 Business should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

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

Segment	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R & D	NIL	NIL	NA
Capex	NIL	NIL	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No

- b. If yes, what percentage of inputs were sourced sustainably?

NIL

The Company views sustainability as a pathway to leadership and creating enduring value for stakeholders. It is committed to integrating sustainability into every business decision across its value chain. Furthermore, the Company actively collaborates with stakeholders to improve its sustainable sourcing strategies.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

(a) Plastics (including packaging)	Operating in the diagnostic services sector, The Company acknowledges that the concepts of waste material reuse and recycling don't directly apply to its field. Nevertheless, The Company has established arrangements with certified vendors to responsibly manage the bio-medical waste produced during the processes of sample collection and testing.
(b) E-waste	
(c) Hazardous waste	
(d) other waste.	

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

➤ Not Applicable as the Company is in Diagnostics Service Sector.



## Principle 3

Business should respect and promote the wellbeing of all employees, including those in their value chains

## Essential Indicators

## 1. A. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	2,228	2,228	100	2,228	100	NA	NA	-	-	-	-
Female	1,472	1,472	100	1,472	100	1,472	100	NA	NA	-	-
<b>Total</b>	<b>3,700</b>	<b>3,700</b>	<b>100</b>	<b>3,700</b>	<b>100</b>	<b>1,472</b>	<b>39.78</b>	-	-	-	-
<b>Other than Permanent employees</b>											
Male											
Female											
<b>Total</b>											

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

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

## c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.5%	0.49%

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

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	100	100	Yes	100	100	Yes

### 3. Accessibility of workplaces

**Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.**

Yes, All the offices within The Company are fitted with ramps to facilitate accessibility for employees and workers with disabilities. Additionally, wheelchairs are provided to further improve convenience. The Company is dedicated to progressively ensuring that all premises and offices are accessible to individuals with disabilities.

### 4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, The Company has established a policy that is incorporated into the Company's HR Manual. This policy is readily accessible on the Company's intranet. The Company is dedicated to promoting equality and celebrating diversity, as outlined in its internal Equal Opportunity Policy. This policy underscores The Company's commitment to ensuring equal opportunities for all employees, tackling discrimination and harassment, and providing necessary support and redress for those whose rights have been infringed.

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100	100	-	-
Female	75	75	-	-
<b>Total</b>	<b>87.5</b>	<b>87.5</b>	-	-

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	No workers in the Company
Other than permanent workers	No workers in the Company
Permanent employees	Yes, The Company utilizes HRMS software, providing a platform for employees to voice their grievances. These grievances, once raised, are addressed and resolved by the relevant department heads in accordance with The Company's HR policy.
Other than permanent employees	

### 7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2024			FY 2023		
	Total employees/workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/workers in respective category (C)	No. of employees /workers in respective category, who are part of association(s) or Union(D)	%(D / C)
<b>Total Permanent Employees</b>	3,700	-	-	2,562	-	-
Male	2,228	-	-	1,605	-	-
Female	1,472	-	-	957	-	-
<b>Total Permanent Workers</b>						
Male						
Female						

NIL

## 8. Details of training given to employees and workers:

Category	FY 2024				FY 2023					
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	2,228	1,132	50.81%	1,352	60.68%	1,605	1,410	87.85%	1,540	95.95%
Female	1,472	440	29.89%	476	32.34%	957	902	94.25%	934	97.60%
<b>Total</b>	<b>3,700</b>	<b>1,572</b>	<b>42.49%</b>	<b>1,828</b>	<b>49.41%</b>	<b>2,562</b>	<b>2,312</b>	<b>90.24%</b>	<b>2,474</b>	<b>96.57%</b>
<b>Workers</b>										
Male										
Female										
<b>Total</b>										

## 9. Details of performance and career development reviews of employees and workers:

Category	FY 2024			FY 2023		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
<b>Employees</b>						
Male	2,228	2,228	100%	1,605	1,605	100%
Female	1,472	1,472	100%	957	957	100%
<b>Total</b>	<b>3,700</b>	<b>3,700</b>	<b>100%</b>	<b>2,562</b>	<b>2,562</b>	<b>100%</b>
<b>Workers</b>						
Male						
Female						
<b>Total</b>						

## 10. Health and Safety Management System:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, The Company has system in place for health and safety at the centres and offices. The Company's safety manual, applicable to all units and centers within the organization, provides comprehensive guidelines. Furthermore, The Company has implemented an occupational health and safety management system to ensure the wellbeing and safety of its employees in the workplace.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company carries out routine assessments of potential workplace hazards and has set up protocols to manage these risks. This continuous process is supervised by center managers who are responsible for the daily execution of these procedures.

- c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

No, There is no workers in the company.

- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, All employees and workers at the Company have access to non-occupational medical and healthcare services. Their coverage is provided either through Group Medclaim or ESIC, based on their eligibility and applicability. Moreover, all employees are eligible for discounted diagnostic investigations.

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

Safety Incident /Number	Category	FY 2024	FY 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

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

The Company has instituted and enforces stringent safety protocols across all its centers, underscoring its commitment to providing a safe and healthy work environment for its employees. Each center has a manager tasked with ensuring strict compliance with these safety protocols, including the secure management and processing of samples by staff. Additionally, The Company is proactive in the ongoing professional growth of its workforce through regular safety and health training programs. This sustained effort is aimed at promoting a comprehensive understanding and application of workplace safety measures among employees.

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

Category	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	NIL	NA	-	NIL	NA	-
Health & Safety	NIL	NA	-	NIL	NA	-

14. Assessments for the year:

Safety Incident /Number	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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

Not Applicable

**Leadership Indicators-**

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Employee: Yes

Workers: No

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

The Company carries out regular audits to confirm the prompt payment of all statutory dues. Furthermore, it contractually obligates third parties to ensure the timely settlement of these dues.

**Principle 4 Business should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

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

The Company’s commitment to responsible and sustainable business practices involves continuous engagement with both internal and external stakeholders. This interaction is crucial for assessing performance, evaluating value delivered, and prioritizing sustainability issues. Stakeholder identification is guided by alignment with the Company’s Mission and Vision, ensuring critical stakeholders receive necessary attention. The Company actively engages key decision makers who influence operations and outcomes, and evaluates stakeholders based on their power and influence within the decision-making process to prioritize those who significantly impact sustainability performance and results.



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

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee	No	Email, SMS, Town Halls Meetings, all Hand Meetings/ in person Meeting, Offsite Meetings	Event Based	Regular Company Updates/ Training Needs
Customers	No	SMS, Newspaper, Website	Event Based	Promotion Schemes/ New Tests, etc.
Investor and Shareholders	No	Website, Annual Meeting, Newspaper	Event Based	Financial Results/ Other Corporate Announcements
Government and Regulatory Authorities	No	Email	Event Based	Representations/ Perspective on Change in Regulations/ Upcoming Laws
Communities	No	Activities under Corporate Social Responsibility (CSR) Initiatives	Event Based	As part of its Corporate Social Responsibility (CSR) commitment, the Company addresses developmental and educational requirements.
Vendors	No	Emails, In-person Meeting, Letters, Digital Meetings	Event Based	Regular business updates, performance feedback, and any updates related to regulatory changes regarding supplies or services
Franchised Lab Partners	No	Emails, Surveys, In-person Meeting	Event Based	Promotional Schemes

#### Leadership Indicators-

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company consistently emphasizes the importance of ongoing and proactive engagement with key stakeholders, allowing effective communication of strategies and performance. By maintaining continuous dialogue, expectations are closely aligned, ensuring stakeholder needs are met more effectively. The Board of Directors is regularly updated on significant developments, and their feedback is actively sought to inform actions and decisions. This approach ensures the Board remains well-informed and provides valuable insights, enhancing the Company's ability to serve stakeholders comprehensively.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

No. The Company considers stakeholder consultation essential for identifying and managing environmental and social topics. A comprehensive digital materiality assessment, using a double materiality approach, engaged various stakeholders. With input from stakeholders and collaboration with an external ESG consultant, the Company developed its ESG roadmap, goals, and targets. Multiple workshops were organized to gather insights and feedback. The outcomes of these consultations have been directly integrated into the Company's ESG strategy, ensuring alignment with stakeholder expectations and sustainability priorities.

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

Currently the Company doesn't engage with any vulnerable and marginalized stakeholder groups.

## Essential Indicators

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

Category	FY 2024			FY 2023		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	3,700	2,216	59.89	2,562	2,305	89.97
Other than Permanent	1,352	816	60.36	996	847	85.04
<b>Total Employees</b>	<b>5,052</b>	<b>3,032</b>	<b>60.02</b>	<b>3,558</b>	<b>3,152</b>	<b>88.59</b>
<b>Workers</b>						
Permanent						
Other than Permanent						
Permanent						
<b>Total Workers</b>						

NIL

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

Category	FY 2024					FY 2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Permanent	3,700	2,774	74.97	926	25.03	2,562	1,416	55.27	1,146	44.73
Male	2,228	1,478	66.34	750	33.66	1,605	714	44.49	891	55.51
Female	1,472	1,296	88.04	176	11.96	957	702	73.35	255	26.65
Other than Permanent	1,352	57	4.22	-	-	996	90	9.04	-	-
Male	328	42	12.80	-	-	266	64	24.06	-	-
Female	1,024	15	1.46	-	-	730	26	3.56	-	-

Category	FY 2024					FY 2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Workers</b>										
Permanent										
Male										
Female										
Other than Permanent										
Permanent										
Male										
Female										

NIL

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

a. The details are provided below:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	12,99,999	1	3,01,950
Key Managerial Personnel (KMP)	3	2,50,000	NIL	-
Employees other than BoD and KMP Workers	2,223	18,931	1,471	16,908

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Gross wages paid to females as % of total wages	30.38	23.94

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

Yes

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

The Company has established a formal mechanism to address complaints related to human rights issues. Grievances can be submitted to the Human Resource Department via a dedicated email. Upon receipt, the HR team validates the authenticity of the issue and forwards it to a committee specifically tasked with handling and resolving these matters. This committee operates within a predetermined timeline, as outlined in the Human Resource Policy, to effectively address and resolve the issue. These measures ensure that any complaints of human rights violations are taken seriously and treated with integrity, respect, and urgency, upholding the Company's commitment to human rights principles and standards.

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

The details are provided below:

Category	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NA	-	NIL	NA	-
Discrimination at workplace	NIL	NA	-	NIL	NA	-
Child Labour	NIL	NA	-	NIL	NA	-
Forced Labour/ Involuntary Labour	NIL	NA	-	NIL	NA	-
Wages	NIL	NA	-	NIL	NA	-
Other Human rights related issues	NIL	NA	-	NIL	NA	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

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

The Company has instituted a comprehensive system to address complaints related to human rights issues, functioning through a series of internal mechanisms. This structure, in compliance with the Grievance Policy and Redressal Mechanism, is dedicated to the resolution process of grievances. It is based on essential human rights principles, providing a platform for acknowledging, processing, and effectively addressing complaints. The system ensures transparent communication, allowing individuals to voice concerns without fear of reprisal. It plays a critical role in preventing and addressing harassment, upholding the values of respect, dignity, and equity within the organization, and ensuring that those affected by discrimination and harassment have their concerns adequately addressed.

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

No

**10. Assessment for the year:**

	<b>% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)</b>
Child labour	
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	NIL
Wages	
Others – please specify	

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

➤ Not Applicable

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

The Company currently has effective mechanisms in place to manage human rights grievances or complaints. As a result, there have been no modifications or new business processes introduced to address these issues.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

The Company has implemented thorough procedures to prevent potential human rights violations and any activities conflicting with its Ethics Policy and Code of Conduct. However, more detailed information about the framework, scope, and coverage of these human rights due-diligence exercises will need to be provided.

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

Yes



## Principle 6

Business should respect and make efforts to protect and restore the environment.

## Essential Indicators

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

Parameter	FY 2024 (GJ)	FY 2023 (GJ)
<b>From renewable sources</b>		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	251	101
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>251</b>	<b>101</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	35,205	25,747
Total fuel consumption (E)	323	48
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>35,528</b>	<b>25,795</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>35,779</b>	<b>25,896</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	0.0000061	0.0000056
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)*	0.00014	0.00013
<b>Energy intensity in terms of physical output</b>	NA	NA

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by OECD for India which is 22.88

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

➤ Yes, Independent assessment has been carried out by Sprih

## 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

➤ No

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

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NIL	NIL
(ii) Groundwater	NIL	NIL
(iii) Third party water	20,443	24,794
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	20,443	24,794
<b>Total volume of water consumption (in kilolitres)</b>	20,443	24,794
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	0.000003	0.000005
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)*	0.000069	0.00015
<b>Water intensity in terms of physical output</b>	NA	NA

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by OECD for India which is 22.88

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

➤ No

4. Provide the following details related to water discharged:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(ii) To Groundwater		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
<b>Total water discharged (in kilolitres)</b>	<b>NIL</b>	<b>NIL</b>

The Company primarily operates in government hospitals, making it challenging to compile water discharge data. However, it is committed to efficient resource use and implementing appropriate water-saving initiatives whenever possible.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

➤ NA

5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

➤ NA

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

Parameter	Unit	FY 2024	FY 2023
NOx	-	-	-
SOx	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

➤ NA

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

The details are provided below:

Parameter	Unit	FY 2024	FY 2023
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	56.2	27.79
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	150.38	89.38
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b>	tCO <sub>2</sub> e / turnover	0.000000035	0.000000025
(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)			

Parameter	Unit	FY 2024	FY 2023
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	tCO <sub>2</sub> e / turnover	0.00000080	0.00000057

(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)\*

<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	NA	NA	NA
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\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by OECD for India which is 22.88

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

➤ Yes, Independent assessment has been carried out by Sprih.

#### 8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, The Company is dedicated to reducing Greenhouse Gas (GHG) emissions. A key project involves implementing high energy efficiency systems across all utilities, strategically designed to significantly reduce energy consumption and, consequently, net GHG emissions.

#### 9. Provide details related to waste management by the Company, in the following format:

The required details are provided below:

Parameter	FY 2024	FY 2023
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	NIL	NIL
E-waste (B)	1.71	0.78
Bio-medical waste (C)	43.44	17.93
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	25.78	18.59
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	NIL	NIL
Other Non-hazardous wastegenerated (H). Please specify, if any.	NIL	NIL
(Break-up by composition i.e. by materials relevant to the sector)		
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>70.93</b>	<b>37.30</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.000000012	0.0000000080
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)*	0.000000275	0.00000018
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	-	-
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	43.44	17.93
(ii) Landfilling	NIL	-
(iii) Other disposal operations	27.49	19.37
<b>Total</b>	<b>70.93</b>	<b>37.30</b>

\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by OECD for India which is 22.88

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

➤ No

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

The Company has implemented a comprehensive biomedical waste management system, strictly adhering to the Bio-Medical Waste Management Rules of 2016. This process involves meticulous segregation of waste, ensuring effective management. Categorized waste is allocated to an authorized state pollution control vendor for secure and environmentally responsible disposal. The Company believes that proper waste management and reducing dependency on harmful substances are essential for eco-friendly business practices. When the use of such chemicals is unavoidable, the Company upholds best practices in waste management, including thorough treatment of waste to mitigate harm and strict compliance with local and international regulations. Recognizing hazardous waste control as both a legal requirement and social responsibility, the Company continuously strives to manage harmful by-products appropriately.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			NA

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			NA		

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

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
			NA	

## Principle 7

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

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.  
1
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

S. No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1	NATHealth (Healthcare Federation of India)	National



2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies.		

**Principle 8** Businesses should promote inclusive growth and equitable development.

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount sent on R&R activities during FY 2024 (In ₹)
NA						

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

The Company has implemented a comprehensive approach for community engagement and grievance redressal, utilizing feedback channels such as dedicated email addresses, helplines, and regular community meetings. A dedicated grievance officer and team ensure timely acknowledgment and resolution of community concerns. The transparent grievance redressal process is clearly communicated, with regular monitoring and reporting to maintain accountability. Additionally, The Company actively engages with stakeholders, including local authorities, NGOs, and community leaders, to collaboratively address systemic issues. These initiatives aim to foster trust, accountability, and positive relationships with the community while ensuring the success of The Company's CSR endeavors.

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

Parameter	FY 2024	FY 2023
Directly sourced from MSMEs/small producers	3.91%	5.69%
Directly from Within India	-	-

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024 Current Financial Year	FY 23 Previous Financial Year
Rural	3.26	4.85
Semi-urban	17.48	18.40
Urban	78.99	76.52
Metropolitan	0.27	0.23

(Place to be categorized as per RBI Classification System- rural / semi-urban / urban / metropolitan)

## Leadership Indicators-

### 1. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Nutritional Food Supplement Kit Distribution to TB Patients (Nikshay Mitra Programme under Pradhan Mantri TB Mukta Abhiyan)	1,007	100%
2	Support to School for Construction of Classroom and Compound Wall	155	100%
3	Financial Assistance to Needy and Deserving Students	55	100%
4	Donation of CT-Scan Machine to Charitable Trust's Hospital	20*	100%

\*The Machine was commissioned in the month of March, 2024.

## Principle 9

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

### Essential Indicators

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

The Company has implemented an efficient system for complaint and feedback reception and resolution. For the convenience of customers or patients, a specific email address ([enquiry@krsnaa.in](mailto:enquiry@krsnaa.in)) and an exclusive helpline number (020 6814 6814) are provided to facilitate the ease of registering complaints and grievances. Once a complaint is lodged, it is promptly assigned to the relevant department for necessary measures towards resolution. The complaint management process prioritizes customer satisfaction and aims to swiftly address issues. Upon resolution, the respective customer or patient is promptly informed. Their feedback is integral to enhancing services and maintaining a high standard of customer service. The Company highly appreciates their patience and understanding and is committed to continual service improvement based on their valuable input.

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

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

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

Number of consumer complaints in respect of the following:	FY 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NA	-	NIL	NA	-
Advertising	NIL	NA	-	NIL	NA	-
Cyber-security	NIL	NA	-	NIL	NA	-
Delivery of essential services	NIL	NA	-	NIL	NA	-
Restrictive Trade Practices	NIL	NA	-	NIL	NA	-
Unfair Trade Practices	NIL	NA	-	NIL	NA	-
Other	124	NIL	-	17	NIL	-

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

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

**5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, The Policy is at the intranet of the Company.

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

Not Applicable

**7. Provide the following information relating to data breaches:**

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	NIL
b. Percentage of data breaches involving personally identifiable information of customer	NA
c. Impact, if any, of the data breaches	NA

**Essential Indicators**

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

Information about the products and services offered by The Company can be conveniently accessed through various platforms, including the official website ([www.krsnaadiagnostics.com](http://www.krsnaadiagnostics.com)), the dedicated mobile application, the customer service hotline, and physical visits to local centers.

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

All of The Company’s centers display banners promoting the prudent and safe use of its services. Additionally, for the benefit of consumers, The Company regularly posts videos on sample collection procedures, relevant information, and the importance of various diagnostic tests for all age groups on its YouTube channel.

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

The Company communicates any discontinuation or disruption to its customers by posting notifications on its website for public awareness. Additionally, The Company adheres to SEBI (Listing Obligations and Disclosure Requirements) Regulations, promptly informing stock exchanges about material events that may impact its operations.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)**

As a provider of diagnostic services, The Company does not display product information. However, The Company conducts Net Promoter Score (NPS) surveys after each customer transaction to analyze results and enhance performance.

# Independent Auditor's Report

To The Members of **Krsnaa Diagnostics Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Krsnaa Diagnostics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, of its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with

the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note No. 50 of the financial statements in respect of additions made by the Income Tax Authorities consequent to an assessment order passed in relation to search and seizure conducted under section 132(1) and section 133A of the Income Tax Act 1961. The Company has filed an appeal with the Joint Commissioner (Appeals) or Commissioner of Income Tax (Appeals) of Income Tax against the said Order. As there is uncertainty on the ultimate outcome of the assessment proceedings, the impact on the current and previous period financial statements including income tax, interest and other charges if any, is currently unascertainable.

Our opinion is not modified in respect of the above matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in

our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

### Key Audit Matters

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Allowance for expected credit loss for trade receivables</p> <p>As of March 31, 2024, trade receivables amounted to ₹1,835.16 million against which provision of ₹54.50 million was made towards expected credit loss in the books of account. Refer Note 13 of standalone financial statements for disclosures of trade receivables</p> <p>Calculation of expected credit losses is a complex area and requires management to make significant assumptions on customer payment behaviour and estimate the level and timing of expected future cash flows.</p>	<p>In view of the significance of the matter, we have applied the following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence:</p> <ol style="list-style-type: none"><li>1. Obtained understating of the Company's accounting policy on assessment of impairment of trade receivables, including design and implementation of related management controls around it.</li><li>2. Tested the operating effectiveness of key controls for samples selected.</li><li>3. Obtained aging report of trade receivables and verified the completeness and accuracy of the same. Also reperformed aging for a sample of customer balances.</li></ol>



Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	Hence, we have identified allowance for expected credit loss as a key audit matter in view of the significant management judgment and estimation uncertainty involved.	<ol style="list-style-type: none"> <li>4. Verified the appropriateness of the method and model used for computing the ECL provision and tested the reasonableness of the underlying assumptions used therein. Ensured the same is consistent with previous years.</li> <li>5. Tested the mathematical accuracy of the computation and compared the Company's provisioning rates against the historical trend of actual collection.</li> <li>6. Evaluated management comments and recovery plans for trade receivables outstanding for more than 180 days, including validation of the same.</li> <li>7. Requested for and obtained independent balance confirmations from the Company's customers on a sample basis. Verified subsequent receipts after the year-end on a sample basis.</li> <li>8. Verified the adequacy and accuracy of the disclosures made in the financial statement in relation to such provision is in accordance with the requirements of the relevant Ind AS.</li> </ol>
2	<p>Revenue Recognition from contracts with customers.</p> <p>The Company's revenue significantly relates to diagnostic services provided by the large number of diagnostics centres set up across various states in India through Public Private Partnership ("PPP") agreements with government authorities and agreements with private hospitals.</p> <p>Revenue from diagnostics services is recognised at a point in time when the tests are conducted, and samples are processed.</p> <p>Owing to the high volume of sales transactions with customers and significant value of revenue being cash and carry basis increases the risk of revenue being recognised inappropriately and which highlights the criticality of sound internal processes of summarising and recording revenue to mitigate error and fraud risk.</p> <p>In view of the above, we have identified revenue recognition as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. Obtained an understanding of the systems, processes and controls implemented by the Company. Evaluated the design and implementation and the operating effectiveness of key internal financial controls with respect to revenue recognition including information and technology control environment, key IT application control over the Company's IT systems which governs revenue recognition, authorisation of agreements &amp; Invoices and those related to the reconciliation of revenue to cash.</li> <li>2. Obtained list of revenue contracts and read the terms of contract.</li> <li>3. Tested the reconciliation of revenue as per the billing system to the revenue recorded as per the accounting records and the reconciliation of total revenue generated through cash to the amount deposited into the bank statements.</li> <li>4. Tested on a sample basis, manual journal entries relating to revenues to identify and inquire on unusual items, if any.</li> <li>5. Performed substantive testing on samples selected using statistical sampling for revenue transactions recorded during the year by testing the underlying contracts, and patient test reports issued to verify the occurrence of the transaction and assess whether criteria for revenue recognition are met.</li> <li>6. Ensured cut-off assertion by reviewing the Company's revenue recognition policies, understanding the frequency and period of invoicing, and comparing the invoice counts to the invoices raised during the reporting period to ensure that the revenue is completely recorded in the correct accounting period.</li> <li>7. Performed analytical procedures on revenue recognised during the year to identify and inquire about unusual variances, if any, and obtained reasons for variances from the management of the Company.</li> <li>8. Assessed the adequacy and appropriateness of the disclosures made in the financial statements to ensure they are accurate, complete, and comply with the requirements of Ind AS 115.</li> </ol>

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
3	<p>Capitalisation of Property, Plant, and Equipment.</p> <p>During the year the Company has made additions to property, plant, and Equipment amounting to ₹2,530.42 million (Refer Note 5 to the standalone financial statements) which mainly relates to the cost of setting up the diagnostics centres across various geographies for contracts entered during the year with government authorities and private parties. These costs include the cost of plant &amp; machinery, civil &amp; infrastructure, furniture &amp; fixtures, and other ancillary costs. Further, during the current year, the Company has re-assessed the useful life of assets and considered residual value in the computation of depreciation resulting in a change in estimates(Refer Note No. 5.1).</p> <p>Further, it has also applied judgements on estimating the life to be considered for depreciating the civil, infrastructure, and other ancillary costs taking into consideration the revenue contract term, lease terms, and other factors including the history of the extension period for revenue contracts.</p> <p>In addition to this, the Company has also identified employee costs incurred for the set-up of new centres and has applied judgment to assess if the costs incurred about new centre meet the recognition criteria of Property, Plant, and Equipment in accordance with Ind AS 16</p> <p>This has been determined as a key audit matter due to the significance of the capital expenditure incurred during the year and significant management judgment in the capitalisation of employee costs and estimating the life for depreciating the civil, infrastructure, and other ancillary costs.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. Performed an understanding of the systems, processes and controls implemented by the Company. Evaluated the design, implementation and the operating effectiveness of key internal financial controls over the costs capitalised to property, plant and Equipment and those included in capital work in progress, including approvals for Purchase Orders, Invoices, GRN and capitalisation of employee costs.</li> <li>2. Tested the reconciliation of balance as per fixed assets register to the balance as per general ledger from the accounting records.</li> <li>3. Obtained physical verification reports of assets physically verified by the management and performed reconciliation on sample basis to the fixed assets register.</li> <li>4. Obtained the understanding of the employee cost capitalised and assessed whether the same meets the recognition criteria in accordance with Ind AS 16.</li> <li>5. Ensured existence and accuracy assertion by performing substantive testing on selected samples of capital expenditure recorded during the year by testing the underlying documents including purchase orders, invoices, GRN, working related to employee and other incidental costs capitalised, wherever applicable.</li> <li>6. Obtained the technical evaluation for life of assets and residual value from the Company and tested the reasonableness of the management assessment relating to the life of assets as assessed by the management for depreciation of the assets.</li> <li>7. Evaluated the management assessment on whether there are indicator of impairments and assessment performed by the management for no impairment provision.</li> <li>8. Assessed the adequacy and appropriateness of the disclosures made in the financial statements to ensure they are accurate, complete, and comply with the relevant IND AS.</li> </ol>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report including Annexures to the Directors' Report, Management Discussion and Analysis, Corporate Governance Report but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

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

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of accounts.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
  - (f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls with reference to standalone financial

statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

- (h) 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 of pending litigations on its financial position in its standalone financial statements – Refer Note 49 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as

provided under (1) and (2) above, contain any material mis-statement.

- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 61 to the Standalone financial statements.

- vi. Based on our examination, the Company has used an accounting software for maintaining its books of accounts during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has been enabled and operated throughout the year for all relevant transactions recording in the software. During the course of our examination, we did not come across any instance of the audit trail being tampered with.

Based on our examination, the Company has used two accounting software for maintaining its revenue and purchase records and processing its payroll transactions during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility except that no audit trail feature was enabled at the database level in the accounting software to log any direct data changes throughout the period. Further, the audit trail facility has been operated throughout the year for all relevant transactions recorded in the accounting software, except at the database level as stated above, in respect of which the audit trail facility has not operated throughout the year for all relevant transactions recorded in this accounting software as it was not enabled. During the course of our examination, we did not come across any instance of the audit trail being tampered with.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

**For M S K A & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Shraddha D Khivasara**

Partner

Place: Pune  
Date: May 18, 2024

Membership No. 134285  
UDIN : 24134285BKEZBG7828

# Annexure A to the Independent Auditor's Report on even Date on the Standalone Financial Statements of Krsnaa Diagnostics Limited

For the year ended March 31, 2024.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For M S K A & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Shraddha D Khivasara**

Partner

Place: Pune  
Date: May 18, 2024

Membership No. 134285  
UDIN : 24134285BKEZBG7828



# Annexure B to Independent Auditors' Report of even Date on the Standalone Financial Statements of Krsnaa Diagnostics Limited

for the year ended March 31, 2024

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

- i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (a) B The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment, and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment, and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency, coverage and procedure of such verification is reasonable. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of ₹5 crores in aggregate from Banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly statements are filed with such Banks are not in agreement with the books of accounts of the Company. Details of the same are as below.

Quarter Ended	Particulars of security #	Amount as per books of accounts	Amount as per revised quarterly statement*	Variance	Discrepancy (give details)
June	Trade Receivable	1,152.33	1,154.73	(2.40)	Variance on account of book closure effect
	Trade Payables	135.17	135.06	0.11	
September	Trade Receivable	1,481.97	1,456.17	25.80	
	Trade Payables	472.21	472.75	(0.54)	
December	Trade Receivable	1,683.27	1,463.57	219.69	
	Trade Payables	714.48	709.26	5.22	
March	Trade Receivable	1,248.73	1,237.76	10.97	
	Trade Payables	443.71	448.66	(4.95)	

# The balance of Trade Payable reported is upto an aging of 90 Days and the balance of Trade Receivable as reported is upto an aging of 120 Days, pursuant to the requirement in the sanction letter of the banks.

\* Post quarter/year-end, the company has filed the revised statement/returns for all the quarters with figures matching with books of accounts which is considered for above reporting.

- iii. According to the information and explanation provided to us, the Company has not made any investments in, or provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, (the "Act") are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the

provisions stated under clause 3(v) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its services. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees'

state insurance, custom duty, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in few cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, custom duty, cess, and other statutory dues in arrears as at March 31, 2024, outstanding for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where the dispute is pending	Remark, if any
Income Tax Act, 1961	Income Tax	₹196.3 million	₹ Nil	Assessment Year 2022-23	Joint Commissioner/ Commissioner of Income Tax (Appeals)	NA

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on

an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Further, the Company do not have any associate or joint ventures. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, the Company has utilized the money raised by way of initial public offer for the purposes for which they were raised (refer Note No. 48 to the financial statement), except for the following cases:

Nature of the fund raised	Purpose for which funds were raised	Total amount raised (net of actual IPO expenses)	Amount utilized for the purpose	Unutilized / (Excess utilized) balance	Details of deviation	Subsequent rectification (Yes/ No) and details
Initial Public Offer	Finance the cost of establishing diagnostics centres at Punjab, Karnataka, Himachal Pradesh and Maharashtra	1,508.10	1,358.10	150	The Company has utilised the balance of unutilised amount allocated for Financing the cost of establishing diagnostics centres amounting to ₹150 million towards	Not Applicable

Nature of the fund raised	Purpose for which funds were raised	Total amount raised (net of actual IPO expenses)	Amount utilized for the purpose	Unutilized / (Excess utilized) balance	Details of deviation	Subsequent rectification (Yes/ No) and details
Initial Public Offer	General corporate purposes	813.05	963.05	(150)	General Corporate Purpose based on the legal counsel opinion and approval obtained from the Board of Directors and Audit Committee of the Company dated February 12, 2024.	Not Applicable

- x. (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.
- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- xi. (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group). Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 62 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the

Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special

Account as per the provisions of Section 135 of the Act read with schedule VII to the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

- (b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

**For M S K A & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Shraddha D Khivasara**

Partner

Membership No. 134285

UDIN : 24134285BKEZBG7828

Place: Pune

Date: May 18, 2024

# Annexure C to the Independent Auditor's Report of even Date on the Standalone Financial Statements of Krsnaa Diagnostics Limited

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Krsnaa Diagnostics Limited on the Standalone Financial Statements for the year ended March 31, 2024]

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

We have audited the internal financial controls with reference to the standalone financial statements of Krsnaa Diagnostics Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

## Managements' and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in

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

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

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

## Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company



are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial

statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Pune  
Date: May 18, 2024

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Shraddha D Khivasara**  
Partner  
Membership No. 134285  
UDIN : 24134285BKEZBG7828

# Standalone Balance Sheet

as at March 31, 2024

(Amount in ₹ million unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	6,447.21	4,678.47
Capital work-in-progress	7	98.45	254.80
Intangible assets	6	24.34	28.28
Financial assets			
Investments	8	3.61	3.61
Loans	9	-	-
Other non current financial assets	10	326.55	1,739.40
Other non-current assets	11	591.40	151.81
<b>Total non-current assets</b>		<b>7,491.56</b>	<b>6,856.37</b>
<b>Current assets</b>			
Inventories	12	358.07	250.74
Financial assets			
Trade receivables	13	1,780.66	745.45
Cash and cash equivalents	14	18.58	221.32
Bank balances other than cash and cash equivalent	15	511.70	860.76
Other Current financial assets	16	1,430.51	89.43
Other current assets	17	124.57	69.77
<b>Total current assets</b>		<b>4,224.09</b>	<b>2,237.47</b>
<b>Total assets</b>		<b>11,715.65</b>	<b>9,093.84</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	161.45	156.99
Other equity	19	7,990.96	7,268.02
<b>Total equity</b>		<b>8,152.41</b>	<b>7,425.01</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	20	55.00	110.00
Lease Liabilities	21	363.81	132.84
Other financial liabilities	22	205.59	336.81
Employee benefit obligations	23	14.49	8.96
Deferred Tax Liabilities (Net)	36	163.84	127.65
Other non-current liabilities	24	-	0.07
<b>Total non-current liabilities</b>		<b>802.73</b>	<b>716.33</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	25	1,012.21	55.00
Lease Liabilities	21	166.86	26.97
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises	26	6.65	6.82
ii) total outstanding dues of creditors other than micro enterprise and small enterprise	26	778.58	584.34
Other financial liabilities	27	667.48	233.53
Other current liabilities	28	90.53	24.65
Employee benefit obligations	23	38.20	21.19
<b>Total current liabilities</b>		<b>2,760.51</b>	<b>952.50</b>
<b>Total liabilities</b>		<b>3,563.24</b>	<b>1,668.83</b>
<b>Total equity and liabilities</b>		<b>11,715.65</b>	<b>9,093.84</b>

Summary of material accounting policies and add as note "2"

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date

For **M S K A & Associates**

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

**Krsnaa Diagnostics Limited**

CIN:L74900PN2010PLC138068

**Shraddha D Khivasara**

Partner

Membership No: 134285

Place: Pune

Date: May 18, 2024

**Rajendra Mutha**

Chairman

DIN: 01066737

Place: Pune

Date: May 18, 2024

**Yash Mutha**

Joint Managing Director

DIN: 07285523

Place: Pune

Date: May 18, 2024

**Pallavi Bhatevara**

Executive Director

DIN: 03600332

Place: Pune

Date: May 18, 2024

**Prashant Deshmukh**

Chief Executive Officer

Place: Pune

Date: May 18, 2024

**Pawan Daga**

Chief Financial Officer

Place: Pune

Date: May 18, 2024

**Sujoy Bose**

Company Secretary

Place: Pune

Date: May 18, 2024

# Statement of Standalone Profit and Loss

for the Year ended March 31, 2024

(Amount in ₹ million except earnings per share)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	29	5,900.19	4,640.83
Other income	30	167.96	194.10
<b>Total income</b>		<b>6,068.15</b>	<b>4,834.93</b>
<b>Expenses</b>			
Cost of material consumed	31	1,410.40	741.79
Employee benefits expense	32	975.69	656.27
Finance costs	33	164.66	76.83
Depreciation and amortization expense	34	745.47	537.82
Fees to hospitals and others		609.34	761.63
Other expenses	35	1,443.14	1,238.68
<b>Total expenses</b>		<b>5,348.70</b>	<b>4,013.02</b>
<b>Profit before tax</b>		<b>719.45</b>	<b>821.91</b>
<b>Tax expense</b>	36		
Current Tax			
Income Tax charge		114.42	149.31
Adjustment of Tax relating to earlier years		(6.41)	0.52
Deferred tax charge/(credit)		25.83	36.99
<b>Total tax expenses</b>		<b>133.84</b>	<b>186.82</b>
<b>Profit for the year</b>		<b>585.62</b>	<b>635.09</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Remeasurement gain/(loss) of net defined benefit obligation		(2.44)	6.89
Income tax effect		0.61	(1.73)
		<b>(1.83)</b>	<b>5.16</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>(1.83)</b>	<b>5.16</b>
<b>Total comprehensive income for the year</b>		<b>583.78</b>	<b>640.25</b>
<b>Earnings per share</b>			
Basic earnings per share (₹)	37	18.45	20.23
Diluted earnings per share (₹)	37	17.83	19.72

Summary of material accounting policies and add "2" as note

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
CIN:L74900PN2010PLC138068

## Shraddha D Khivasara

Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

## Rajendra Mutha

Chairman  
DIN: 01066737  
Place: Pune  
Date: May 18, 2024

## Yash Mutha

Joint Managing Director  
DIN: 07285523  
Place: Pune  
Date: May 18, 2024

## Pallavi Bhatevara

Executive Director  
DIN: 03600332  
Place: Pune  
Date: May 18, 2024

## Prashant Deshmukh

Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

## Pawan Daga

Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

## Sujoy Bose

Company Secretary  
Place: Pune  
Date: May 18, 2024

# Standalone Statement of Changes in Equity

for the Year Ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## (A) Equity share capital

Equity share of ₹5 each issued, subscribed and fully paid up:	Equity Share Capital	
	No. of shares	Amount
<b>Balance as at April 01, 2022</b>	<b>31,397,613</b>	<b>156.99</b>
Add: Changes in share capital due to prior period errors	-	-
Add: Other changes in share capital	-	-
<b>Balance as at March 31, 2023</b>	<b>31,397,613</b>	<b>156.99</b>
Add: Changes in share capital due to prior period errors	-	-
Add: Issue of share capital due to Employee Stock Options	892,150	4.46
<b>Balance as at March 31, 2024</b>	<b>32,289,763</b>	<b>161.45</b>

## (B) Other equity

Particulars	Reserve and surplus				Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings	Other items of other comprehensive income	
Balance as at April 01, 2022	20.39	6,390.93	294.99	4.20	6,710.51
Profit for the period	-	-	635.09	-	635.09
Other comprehensive income	-	-	-	5.16	5.16
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>635.09</b>	<b>5.16</b>	<b>640.25</b>
<b>Transactions with owners in their capacity as owners:</b>					
Deferred tax on share issue expenses	-	(10.98)	-	-	(10.98)
Share based payment expense	6.73	-	-	-	6.73
Payment of dividend to equity shareholders	-	-	(78.49)	-	(78.49)
Forfeiture of share options	(0.48)	-	0.48	-	-
<b>Balance as at March 31, 2023</b>	<b>26.64</b>	<b>6,379.95</b>	<b>852.07</b>	<b>9.36</b>	<b>7,268.02</b>

Particulars	Reserve and surplus				Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings	Other items of other comprehensive income	
Balance as at April 01, 2023	26.64	6,379.95	852.07	9.36	7,268.02
Profit for the period	-	-	585.62	-	585.62
Securities premium credited on share issue	-	239.16	-	-	239.16
Other comprehensive income (net of Tax)	-	-	-	(1.83)	(1.83)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>239.16</b>	<b>585.62</b>	<b>(1.83)</b>	<b>822.94</b>
<b>Transactions with owners in their capacity as owners:</b>					
Deferred tax on share issue expenses	-	(10.98)	-	-	(10.98)
Share based payment expense	9.01	-	-	-	9.01
Payment of dividend to equity shareholders	-	-	(86.34)	-	(86.34)
Utilisation of reserves towards exercise of ESOPs	(11.70)	-	-	-	(11.70)
<b>Balance as at March 31, 2024</b>	<b>23.95</b>	<b>6,608.13</b>	<b>1,351.35</b>	<b>7.54</b>	<b>7,990.96</b>

Summary of material accounting policies

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
CIN:L74900PN2010PLC138068

**Shraddha D Khivasara**  
Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

**Rajendra Mutha**  
Chairman  
DIN: 01066737  
Place: Pune  
Date: May 18, 2024

**Yash Mutha**  
Joint Managing Director  
DIN: 07285523  
Place: Pune  
Date: May 18, 2024

**Pallavi Bhatevara**  
Executive Director  
DIN: 03600332  
Place: Pune  
Date: May 18, 2024

**Prashant Deshmukh**  
Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

**Pawan Daga**  
Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

**Sujoy Bose**  
Company Secretary  
Place: Pune  
Date: May 18, 2024

# Standalone Statement of Cash Flow

for the Year ended March 31, 2024

(Amount in ₹ million except earnings per share)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from operating activities</b>		
Profit before Tax	719.45	821.91
Adjustments for:		
Depreciation and amortization expenses	745.47	537.82
Employee stock option scheme compensation	9.01	6.73
Finance cost	164.66	76.83
Interest income on deposits	(152.32)	(159.17)
Loss / (Gain) on sale/disposal of Property, Plant & Equipment	0.53	(1.76)
Provision for credit Impaired/(Reversal in provision for credit impairment)	3.40	(7.20)
Amortisation of deferred revenue	(1.19)	(1.27)
Amortisation of prepaid rent	(56.51)	16.74
Interest income on other Financial Assets	(14.07)	(20.80)
<b>Operating profit before working capital changes</b>	<b>1,418.43</b>	<b>1,269.83</b>
<b>Changes in working capital</b>		
Increase/(Decrease) in trade payables	147.65	(188.91)
(Increase)Decrease in inventories	(107.33)	(159.04)
(Increase)/Decrease in trade receivables	(1,041.52)	(140.43)
Increase/(Decrease) in other current liabilities	69.92	1.88
Increase/(Decrease) in other non current liabilities	-	(1.18)
Increase/(Decrease) in other current financial liabilities	41.14	20.92
Increase/(Decrease) in other non current financial liabilities	23.72	(0.01)
Increase/(Decrease) in employee payables	20.10	14.66
(Increase)/Decrease in other current financial assets	(29.46)	71.79
(Increase)/Decrease in non current financial assets	(9.87)	(18.40)
Increase/(Decrease) in other current assets	(11.07)	6.40
(Increase)/Decrease in other non current assets	(89.75)	8.62
<b>Cash generated from operations</b>	<b>431.97</b>	<b>886.13</b>
Income tax paid (Net of refunds)	(188.03)	(131.30)
<b>Net cash inflows from operating activities (A)</b>	<b>243.94</b>	<b>754.83</b>
<b>Cash flow from Investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1,938.87)	(1,413.60)
Proceed from sale of property, plant and equipment and intangible assets	8.87	66.34
Proceeds from/(Investment in) bank deposits [net]	537.41	156.92
Repayment of loan by subsidiaries [net]	-	3.48
Interest received	103.83	101.45
<b>Net cash (used) in investing activities (B)</b>	<b>(1,288.77)</b>	<b>(1,085.41)</b>



# Standalone Statement of Cash Flow

for the Year ended March 31, 2024

(Amount in ₹ million except earnings per share)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from Financing activities</b>		
Proceeds from Exercise of ESOP	231.92	-
Proceeds from Short Term borrowings (Net)	957.21	-
Repayment of Long Term borrowings	(55.00)	(91.30)
Lease liabilities paid	(81.90)	(39.69)
Share issue expenses	-	(68.50)
Dividend payment to equity shareholders	(86.29)	(78.49)
Interest paid	(123.85)	(53.36)
<b>Net cash generated from/(used) in financing activities (C)</b>	<b>842.09</b>	<b>(331.34)</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(202.74)</b>	<b>(661.92)</b>
Cash and cash equivalents at the beginning of the year	221.32	883.24
<b>Cash and cash equivalents at the end of the year</b>	<b>18.58</b>	<b>221.32</b>
<b>Cash and cash equivalents comprise (Refer note 14)</b>		
Balances with banks:		
On current accounts	7.63	209.46
Debit balance in bank overdraft	-	5.30
Cash on hand	10.95	6.56
<b>Total cash and bank balances at end of the period</b>	<b>18.58</b>	<b>221.32</b>

Summary of material accounting policies

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
CIN:L74900PN2010PLC138068

**Shraddha D Khivasara**  
Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

**Rajendra Mutha**  
Chairman  
DIN: 01066737  
Place: Pune  
Date: May 18, 2024

**Yash Mutha**  
Joint Managing Director  
DIN: 07285523  
Place: Pune  
Date: May 18, 2024

**Pallavi Bhatevara**  
Executive Director  
DIN: 03600332  
Place: Pune  
Date: May 18, 2024

**Prashant Deshmukh**  
Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

**Pawan Daga**  
Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

**Sujoy Bose**  
Company Secretary  
Place: Pune  
Date: May 18, 2024

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 1 General Information

Krsnaa Diagnostics Limited (formerly known as Krsnaa Diagnostics Private Limited) is a public company domiciled in India and was incorporated on December 20, 2010 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at HO- S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Pune, Maharashtra - 411019. The Company is primarily engaged in the business of providing Diagnostic Services primarily in relation to Pathology Investigation, Radiology Investigation and Tele reporting.

The Company was converted to a public limited company with effect from May 6, 2021. The Company was listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on August 16, 2021.

The financial statements were approved by the Company's Board of Directors and authorised for issue on May 18, 2024.

## 2 Material accounting policies

Material accounting policies adopted by the company are as under:

### 2.1 Basis of Preparation of Ind AS Financial Statements

#### (a) Statement of Compliance with Ind AS

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Standalone financial statements.

#### (b) Change in accounting estimate

During the year company has reassessed the useful life and residual value of certain assets. As per Ind AS 8, the effect of change in accounting estimate has to be given prospectively in the financial statements. Due to this change in accounting estimate, depreciation expense is lower and profit before taxes is higher by ₹39.67 million for the year ended March 31, 2024. Refer note 5.1 for change in accounting estimate.

#### (c) Basis of measurement

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

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

#### (d) Classification of Current and Non Current

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

#### (e) Use of estimates

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

#### (f) All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

### 2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and cost of employees incurred towards setting up new centers.

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

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

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## Depreciation methods, estimated useful lives

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

Property, plant and equipment	Life Used by Company	Life as per Schedule II	Residual Value (%)
Plant & Machinery	5 to 13 years	13 years	5 to 20
Furniture and Fixtures	10 years	10 years	5
Office Equipment	5 years	5 years	5
Leasehold Improvement	Amortised over lease period or 12 year whichever is lower	10 years	5
Vehicle	8 years	8 years	20
Computers (end user devices such as, desktops, laptops etc.)	3 years	3 years	5

Leasehold improvements are amortised over the estimated useful economic life i.e. 12 years or lease period including expected renewal period whichever is lower.

During the year, Company has reassessed the estimated economic useful life of certain assets forming part of Plant & Machinery and leasehold improvement based on technical evaluation carried out by the company. In case of plant and machinery company has reassessed the useful life from 13 year to 5/10 years and leasehold improvement from 10 years to 12 years or lease period including expected renewal period whichever is lower.

Company has also reassessed residual value for all the assets from 0% to 5%/10%/20% as mentioned in table above except intangibles. For impact of change in accounting estimate refer note 5.1.

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

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

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

## 2.3 Other Intangible Assets

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

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

Intangible assets	Life Used by Company
Computer Software	6 years

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

## 2.4 Foreign Currency Transactions

### (a) Functional and presentation currency

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

### (b) Transactions and balances

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

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

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

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

## 2.5 Fair value measurement

The Company measures financial instruments such as investment in mutual fund at each balance sheet date.

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

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

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

## 2.6 Revenue from Contract with Customers

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

Revenue from diagnostic services is recognised on amount billed net of discounts/ rebates and taxes if any.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when underlying tests are conducted and reports are processed. The Company also enters into contract with vendor's for providing various services at its diagnostic centre's which helps to fulfil its performance obligation.

Company has assessed these contracts and has concluded that it is primarily responsible for fulfilling the performance obligation in the contract and company has no agency relationships. Accordingly the revenue has been recognised at the gross amount as and when services are provided and performance obligation is satisfied. Payment made to vendor's for various services provided at diagnostic centre's is recognised as 'Fees to hospitals and others' as an expense as and when services are received from vendor.

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

## Other Income

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

## Expenses

Fees to Hospital & other pertains to expenses incurred for availing various services at diagnostics centre.

Expenses is recognised as and when services are received from vendors and is net of discounts.

## 2.7 Taxes

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

### (a) Current income tax

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

### (b) Deferred tax

"Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax asset and current tax liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

## 2.8 Leases

### The Company as a lessee

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

"At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term. The

lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

## 2.9 Inventories

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

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

Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on item by item basis.

## 2.10 Impairment of non-financial assets

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

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

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



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

## 2.11 Provisions and contingent liabilities

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

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

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

## 2.12 Cash and cash equivalents

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

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

## 2.13 Financial instruments

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

### (a) Financial assets

#### (i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables generally do not contain a significant financing component and are measured at transaction price.

#### (ii) Subsequent measurement

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

- at amortized cost; or
- at fair value through other comprehensive income; or
- at fair value through profit or loss.

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

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

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

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

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



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

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

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

### (iii) Impairment of financial assets

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

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

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

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

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the

balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### (iv) Derecognition of financial assets

A financial asset is derecognized only when

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

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

### (b) Financial liabilities

#### (i) Initial recognition and measurement

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

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

#### (ii) Subsequent measurement

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

#### *Financial liabilities at fair value through profit or loss*

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

#### *Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

### (iii) Derecognition

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

## 2.14 Employee Benefits

### (a) Short-term obligations

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

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

#### (i) Defined contribution plan

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

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

#### (ii) Defined benefit plans

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

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

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

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

#### (c) Share-based payments

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

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



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

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

## 2.15 Contributed equity

Equity shares are classified as equity share capital.

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

## 2.16 Earnings Per Share

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

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

## 2.17 Rounding off amounts

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

### Significant accounting judgments, estimates and assumptions

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

## 3.1 Judgements

### (a) Determination of Lease term as lessee :

The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non cancellable period of lease.

### (b) Determination of useful life of lease hold improvement :

In the case of lease hold building improvements, the depreciation is charged based on useful life of the improvements which is 12 years years or lease period including expected renewal period which ever is lower. Judgement is exercised by the Company in determination of the expected renewal period after considering all relevant facts and circumstances that create an economic incentive on the Company to renew.

## 3.2 Estimates and assumptions

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

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

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual

# Notes Forming Part of Standalone Financial Statements

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values of Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. For details refer note 2.2 and 5.

## (b) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 39.

## (c) Allowance for expected credit loss

Refer note 2(iii) for the estimate used in arriving expected credit loss allowance.

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

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual

developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 39.

## (e) Impairment of non-financial assets

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

## Standards that became effective during the year

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material effect.



## Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024  
(Amount in ₹ million unless otherwise stated)

### 5 Property, plant and equipment

For the year ended March 31, 2024#:

Particulars	Gross block			Accumulated Depreciation			Net block		
	As at April 01, 2023	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	For the Period	Disposal/ Adjustments	As at March 31, 2024	As at March 31, 2023
<b>Owned assets</b>									
Plant and Machinery	4,442.63	1,337.00	20.12	5,759.51	1,024.81	393.42	10.78	1,407.45	4,352.06
Furniture and Fixtures	6.76	109.78	13.14	103.40	4.25	59.47	13.14	50.58	52.82
Office Equipment	93.34	36.04	0.16	129.22	35.93	15.08	0.08	50.93	78.29
Vehicles	28.05	0.01	-	28.06	10.65	2.36	-	13.01	15.05
Leasehold Improvement	1,221.67	539.85	15.24	1,746.28	297.69	144.55	15.24	427.00	1,319.28
Data Processing Equipment	191.36	44.72	-	236.08	111.67	38.97	-	150.64	85.44
<b>Leased assets</b>									
Right of Use Asset-Plant & Machinery	0.80	-	-	0.80	0.80	-	-	0.80	-
Right of Use Asset-Building	38.75	399.42	13.96	424.21	6.07	70.96	0.74	76.29	347.92
*Plant and Machinery	185.79	63.60	-	249.39	38.82	14.22	-	53.04	196.35
<b>Total</b>	<b>6,209.15</b>	<b>2,530.42</b>	<b>62.62</b>	<b>8,676.95</b>	<b>1,530.69</b>	<b>739.03</b>	<b>39.98</b>	<b>2,229.74</b>	<b>6,447.21</b>

\* Plant and Machinery classified under Leased assets are taken on Finance Lease

#### 5.1 Impact of Change in accounting estimate -

During the year ended March 31, 2024, Company has reassessed the useful life of certain assets forming part of Plant & Machinery and leasehold improvement based on the technical evaluation carried out by the company. As per the accounting policy of the company, leasehold improvement is amortised over the useful life or lease period including the expected renewal whichever is lower. During the year, useful life of Leasehold improvement has been reassessed from 10 years to 12 years and certain assets of plant & machinery from 13 years to 5/10 years. Further, based on technical evaluation carried out by the Company, residual value is reassessed for all the assets from 0% to 5%/10%/20%, except intangibles. Due to this change in accounting estimate, depreciation expenses is lower and profit before taxes is higher by ₹39.67 million for the year ended March 31, 2024. These changes in accounting estimate will also result in lower depreciation expense and higher profit before tax for future years amounting to ₹452.05 million. For material accounting policy refer 2.2.5.2 Plant and Machinery classified under Leased assets are taken on Finance Lease 5.3 For asset given as security refer note 20(a)

For the year ended March 31, 2023:

Particulars	Gross block			Accumulated Depreciation			Net block		
	As at April 01, 2022	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	For the Period	Disposal/ Adjustments	As at March 31, 2023	As at March 31, 2023
<b>Owned assets</b>									
Plant and Machinery	3,672.79	868.07	98.23	4,442.63	705.83	351.32	32.34	1,024.81	3,417.82
Furniture and Fixtures	6.76	-	-	6.76	3.26	0.99	-	4.25	2.51
Office Equipment	58.56	35.03	0.25	93.34	21.29	14.64	0.00	35.93	57.41

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024  
(Amount in ₹ million unless otherwise stated)

## 5 Property, plant and equipment (Contd..)

Particulars	Gross block			Accumulated Depreciation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2023	For the Period	Disposal/ Adjustments	As at March 31, 2023	As at March 31, 2023
Vehicles	28.05	-	-	28.05	3.54	-	10.65	17.40
Leasehold Improvement	770.06	451.61	-	1,221.67	104.73	-	297.69	923.98
Data Processing Equipment	133.23	60.96	2.83	191.36	38.16	2.51	111.67	79.69
<b>Leased assets</b>								
Right of Use Asset-Plant & Machinery	0.80	-	-	0.80	-	-	0.80	-
Right of Use Asset-Building	11.35	27.41	-	38.75	4.61	-	6.07	32.69
*Plant and Machinery	185.79	-	-	185.79	13.95	-	38.82	146.97
<b>Total</b>	<b>4,867.39</b>	<b>1,443.08</b>	<b>101.31</b>	<b>6,209.15</b>	<b>531.94</b>	<b>34.85</b>	<b>1,530.69</b>	<b>4,678.47</b>

\*Plant and Machinery classified under Leased assets are taken on Finance Lease

## 6 Intangible assets

Particulars	Gross block			Accumulated Amortisation			Net block	
	As at April 01, 2023	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2024	For the year	Disposal/ Adjustments	As at March 31, 2024	As at March 31, 2024
Computer Software	57.00	2.50	-	59.50	6.44	-	35.16	24.34
<b>Total</b>	<b>57.00</b>	<b>2.50</b>	<b>-</b>	<b>59.50</b>	<b>6.44</b>	<b>-</b>	<b>35.16</b>	<b>24.34</b>

Particulars	Gross block			Accumulated Amortisation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2023	For the year	Disposal/ Adjustments	As at March 31, 2023	As at March 31, 2023
Computer Software	46.14	12.36	1.50	57.00	5.88	0.15	28.72	28.28
<b>Total</b>	<b>46.14</b>	<b>12.36</b>	<b>1.50</b>	<b>57.00</b>	<b>5.88</b>	<b>0.15</b>	<b>28.72</b>	<b>28.28</b>

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 7 Capital Work in Progress

### a) Movement in capital work in progress

Particulars	Amount
<b>As at April 01, 2022</b>	<b>282.57</b>
Add: Additions during the year	956.70
Less: Capitalised during the year	(984.47)
<b>As at March 31, 2023</b>	<b>254.80</b>
<b>As at April 01, 2023</b>	<b>254.80</b>
Add: Additions during the year	1,124.89
Less: Capitalised during the year	(1,281.24)
<b>As at March 31, 2024</b>	<b>98.45</b>

### b) Ageing schedule of Capital-work-in progress

As on March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	93.79	-	-	4.66	98.45
Projects temporarily suspended	-	-	-	-	-

As on March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	235.36	14.78	-	4.66	254.80
Projects temporarily suspended	-	-	-	-	-

### c) In case of the following projects (CWIP), completion is overdue or has exceeded its cost compared to its original plan:

As on March 31, 2024:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	-	-	4.66	-
Projects where activity has been suspended:	Not applicable	Not applicable	Not applicable	Not applicable

\* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

As on March 31, 2023:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	-	4.66	-	-
Projects where activity has been suspended:	Not applicable	Not applicable	Not applicable	

\* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 8 Financial Assets- Investments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non Current</b>		
<b>Unquoted investments at cost</b>		
<b>Investment in equity instruments (fully paid-up):</b>		
<b>A. Investments in Subsidiaries</b>		
9,999 Equity shares of ₹10 each fully paid-up in KDPL Diagnostics (Amritsar) Private Limited	0.10	0.10
9,999 Equity shares of ₹10 each fully paid-up in KDPL Diagnostics (Bathinda) Private Limited	0.10	0.10
9,999 Equity shares of ₹10 each fully paid-up in KDPL Diagnostics (Jalandhar) Private Limited	0.10	0.10
9,999 Equity shares of ₹10 each fully paid-up in KDPL Diagnostics (Ludhiana) Private Limited	0.10	0.10
9,999 Equity shares of ₹10 each fully paid-up in KDPL Diagnostics (Patiala) Private Limited	0.10	0.10
9,999 Equity shares of ₹10 each fully paid-up in KDPL Diagnostics (SAS Nagar) Private Limited	0.10	0.10
9,999 Equity shares of ₹10 each fully paid-up in Krsnaa Diagnostics (Mohali) Private Limited	0.10	0.10
<b>Total Investments in subsidiaries (A)</b>	<b>0.70</b>	<b>0.70</b>
<b>B. Other equity instruments</b>		
29,000 Equity shares of ₹100 each fully paid-up in Janata Sahakari Bank Limited, Pune	2.90	2.90
<b>Total Investments in other shares (B)</b>	<b>2.90</b>	<b>2.90</b>
<b>Total (Equity Instruments) (A+B)</b>	<b>3.60</b>	<b>3.60</b>
<b>C. Investments in Mutual Funds at fair value through profit and loss (fully paid)</b>		
Investment in Kotak Liquid Fund Regular Plan Growth	0.01	0.01
<b>Total investment in mutual funds</b>	<b>0.01</b>	<b>0.01</b>
<b>Total</b>	<b>3.61</b>	<b>3.61</b>
<b>Aggregate book value of:</b>		
Quoted investments	0.01	0.01
Unquoted investments	3.60	3.60
Aggregate amount of impairment in value of Investments	-	-
Aggregate Market value of Quoted Investment:	0.01	0.01

## 9 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured loan at amortised cost</b>		
Credit Impaired		
Loans to related party	31.01	31.01
Less: Provision for doubtful advances	(31.01)	(31.01)
	-	-

The company has not granted any loan/advance in the nature of loans to Promoters, Directors and KMP's, either severally or jointly with any other person.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 10 Other Non Current financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial instrument at amortised cost</b>		
Security Deposits	164.49	154.33
Cash balance with tax authorities*	3.30	3.30
In deposit accounts with remaining maturity for more than 12 months	148.56	1,553.31
Interest accrued on fixed deposits.	10.20	28.46
	<b>326.55</b>	<b>1,739.40</b>

\* Amount represents cash in hand which was seized by tax authorities in search conducted at the premise of the company in July 2022.

Refer Note 43 for financial asset measured at amortised cost

## 11 Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Capital advance	363.60	93.80
Prepaid expenses	135.50	45.74
Advance tax and tax deducted at source [Net of provision for income tax ]	92.30	12.27
<b>Total other non-current other assets</b>	<b>591.40</b>	<b>151.81</b>

## 12 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Valued at cost</b>		
Consumables (includes reagents, chemicals, diagnostics kits, medicines and consumables, etc.)	358.07	250.74
	<b>358.07</b>	<b>250.74</b>

## 13 Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
- Considered good	1,780.66	745.45
Receivables which have significant increase in Credit Risk	5.44	-
Less : Allowance for bad and doubtful debts	(5.44)	-
Credit impaired	49.06	51.10
Less-Allowance for bad and doubtful debts	(49.06)	(51.10)
	<b>1,780.66</b>	<b>745.45</b>
Further classified as:		
Receivable from related parties	30.26	35.53
Receivable from others	1,750.40	709.92
	<b>1,780.66</b>	<b>745.45</b>

All amounts are considered as short-term since they are expected to be recoverable in normal operating cycle. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

### Movement in allowances for bad and doubtful debts:

Particulars	FY2023-24	FY2022-23
Balance at beginning of the year	51.10	58.30
(+) Additional provision made during the year	3.40	-
(-) Provision utilized during the year	-	-
(-) Excess provision reversed during the year	-	(7.20)
<b>Balance at end of the year</b>	<b>54.50</b>	<b>51.10</b>



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 13 Trade receivables (Contd..)

Trade receivable ageing schedule as at March 31, 2024:

Particulars	Not Due*	Outstanding for the following period from Invoice date					Total
		Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables – considered good	-	1,596.94	183.72	-	-	-	1,780.66
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	5.44	-	-	5.44
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	49.06	49.06
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(5.44)	-	(49.06)	(54.50)
<b>Total</b>	<b>-</b>	<b>1,596.94</b>	<b>183.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,780.66</b>

\* Ageing of trade receivable is calculated from the date of invoice

Trade receivable ageing schedule as at March 31, 2023:

Particulars	Not Due*	Outstanding for the following period from Invoice date					Total
		Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables – considered good	-	727.49	17.96	-	-	-	745.45
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.04	-	-	49.06	51.10
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(2.04)	-	-	(49.06)	(51.10)
<b>Total</b>	<b>-</b>	<b>727.49</b>	<b>17.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>745.45</b>

\* Ageing of trade receivable is calculated from the date of invoice

## 14 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
In current accounts	7.63	209.46
Debit balance in Cash Credit and Bank Overdraft account	-	5.30
Cash on hand	10.95	6.56
	<b>18.58</b>	<b>221.32</b>

## 15 Bank balances other than Cash and cash equivalent

Particulars	As at March 31, 2024	As at March 31, 2023
Deposit with maturity for more than 3 months but less than 12 months	511.70	860.76
	<b>511.70</b>	<b>860.76</b>

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 16 Other Current financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial instrument at amortised cost</b>		
In deposits with remaining maturity less than 12 months	1,216.41	-
Interest accrued on fixed deposits	115.63	48.87
Other receivables	74.37	18.66
Security deposits	24.10	21.90
	<b>1,430.51</b>	<b>89.43</b>

Refer Note 43 for financial asset measured at amortised cost

## 17 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	44.85	33.20
Advance to Suppliers	78.61	34.87
GST credit receivable	0.04	0.04
Advance to Employees	0.99	1.58
Other Advances	0.08	0.08
<b>Total</b>	<b>124.57</b>	<b>69.77</b>

## 18 Share capital

### (A) Equity shares

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorized</b>		
29,43,15,384 Equity Shares of ₹5 each (March 31, 2023: 29,43,15,384 Equity Shares of ₹5 each)	1,471.58	1,471.58
	<b>1,471.58</b>	<b>1,471.58</b>
<b>Issued, subscribed and paid up</b>		
3,22,89,763 Equity Shares of ₹5 each (March 31, 2023- 3,13,97,613 Equity shares of ₹5 each)	161.45	156.99
<b>Total</b>	<b>161.45</b>	<b>156.99</b>

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

Particulars	Number of shares	Amount
<b>Outstanding as on April 01, 2022</b>	<b>3,13,97,613</b>	<b>156.99</b>
Changes During the period	-	-
<b>Outstanding as on March 31, 2023</b>	<b>3,13,97,613</b>	<b>156.99</b>
<b>Outstanding as on April 01, 2023</b>	<b>3,13,97,613</b>	<b>156.99</b>
Add: Issued for ESOPs	8,92,150	4.46
<b>Outstanding as on March 31, 2024</b>	<b>3,22,89,763</b>	<b>161.45</b>

#### (ii) Rights and restrictions attached to shares

The company has equity shares having par value of ₹5 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 18 Share capital (Contd..)

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

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
<b>Equity shares</b>				
Rajendra Mutha	80,29,920	24.87%	80,29,920	25.57%
Phi Capital Trust- Phi Capital Growth Fund – I	49,84,967	15.44%	49,84,967	15.88%
Tata Mutual Fund- Tata Small Cap Fund	23,89,000	7.40%	16,53,026	5.26%
ICICI Prudential Pharma Healthcare and Diaganostic	8,80,174	2.73%	16,02,801	5.10%

(iv) Details of Shares held by Promoters at the end of the year

Sr. No.	Promoter Name	FY 2023-24			
		No. of shares as at April 01, 2023	Change during the year	No. of shares as at March 31, 2024	% of total shares
1	Rajendra Mutha	80,29,920	-	80,29,920	24.87%
2	Krsnaa Diagnostics (Mumbai) Pvt Ltd	6,97,756	-	6,97,756	2.16%

Sr. No.	Promoter Name	FY 2022-23			
		No. of shares as at April 01, 2022	Change during the year	No. of shares as at March 31, 2023	% of total shares
1	Rajendra Mutha	80,29,920	-	80,29,920	25.57%
2	Krsnaa Diagnostics (Mumbai) Pvt Ltd	5,67,756	1,30,000	6,97,756	2.22%

(v) Company during the FY 2023-24 has issued shares under ESOP scheme for partial consideration other than cash. For details, please refer note 39. No class of shares have been issued as bonus shares by the Company during the period of five years immediately preceding the current period end (i.e. March 31, 2024)

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

(vii) For details of shares reserved for issue under the Share based payment plan of the company, please refer note 39.

## 19 Other equity

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

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	26.64	20.39
Add: Share based payment expense	9.01	6.73
Less: Utilisation of reserves towards exercise of ESOPs	(11.70)	-
Less: Transferred to general reserve on forfeiture/lapse of stock options	-	(0.48)
<b>Closing balance</b>	<b>23.95</b>	<b>26.64</b>

\*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer note 39)

The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 39 for details of these plans.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 19 Other equity (Contd..)

### (B) Securities premium\*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	6,379.95	6,390.93
Add : Securities premium credited on share issue	239.16	-
Less: Securities premium utilised to write off the share issue expenses	-	-
Add: Deferred Tax Asset on share issue expenses	(10.98)	(10.98)
<b>Closing balance</b>	<b>6,608.13</b>	<b>6,379.95</b>

\* Securities premium is used to record the premium on issue of shares. Security premium record premium on issue of shares will be utilized in accordance with the Act.

### (C) Surplus in the Statement of Profit and Loss\*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	852.07	294.99
Add: Profit for the year	585.62	635.09
Add: Transfer from ES00A (on account of stock option being lapsed after vesting)	-	0.48
Less: Dividend paid to equity shareholders	(86.34)	(78.49)
<b>Closing balance</b>	<b>1,351.35</b>	<b>852.07</b>

\*Surplus in the Statement of Profit and Loss is the cumulative profits/(loss) that the Company has earned/incurred till date after appropriations/transfer to other reserves, if any.

### (D) Other reserves\*

Particulars	As at March 31, 2024	As at March 31, 2023
- As at beginning of year	9.36	4.20
- Re-measurement gains on defined benefit plans (net of tax)	(1.83)	5.16
<b>Closing balance</b>	<b>7.53</b>	<b>9.36</b>

\*Other reserves represents other comprehensive income relating to re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Total other equity	<b>7,990.96</b>	<b>7,268.02</b>
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## 20 Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term loan		
From Bank	110.00	165.00
<b>Less: Current Maturities of borrowings</b>	<b>55.00</b>	<b>55.00</b>
<b>Total non current maturities of borrowings</b>	<b>55.00</b>	<b>110.00</b>

### Terms of repayment and security offered:

#### Term Loan from Banks:

- a) During the year 2020-21, the company has taken a loan of ₹220 million from Indusind Bank for working capital term loan at a floating interest rate of MCLR + 1% per annum to be repaid in 5 years from starting form the month of April 2022. Security Given:

1. Exclusive charge on specific movable fixed assets funded out of loan
2. Exclusive charge on all current assets of borrower, both present & future

- b) During the year 2020-21, the company has taken a loan of ₹42 million from Axis Bank for purchase of MRI machine at a floating interest rate of Repo Rate + 4.50% per annum to be repaid in 7 years from the month of January 2021. The loan has been foreclosed out of IPO funds in October 2022.

Security given: Loan was secured by way of the hypothecation of the MRI Machine funded out of loan.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 21 Lease Liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Lease Liabilities-	530.66	159.81
<b>Less: Current Maturities of Lease Liabilities</b>	166.86	26.97
<b>Total non current maturities of lease obligations</b>	<b>363.81</b>	<b>132.84</b>

For details of assets taken on leases & terms of repayment of lease liabilities- refer note 40.

## 22 Other financial liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Security deposit received	0.30	18.13
Payable for capital purchases	205.59	318.68
<b>Total other financial liabilities</b>	<b>205.59</b>	<b>336.81</b>

## 23 Employee benefit obligations

Particulars	Long Term	
	As at	As at
	March 31, 2024	March 31, 2023
Provision for employee benefits		
Provision for compensated absences (unfunded)	14.49	8.96
<b>Total Provisions</b>	<b>14.49</b>	<b>8.96</b>

Particulars	Short Term	
	As at	As at
	March 31, 2024	March 31, 2023
Provision for employee benefits		
Provision for gratuity (funded) (Refer note 38)	30.08	16.60
Provision for compensated absences (unfunded)	8.12	4.59
<b>Total Provisions</b>	<b>38.20</b>	<b>21.19</b>

## 24 Other non-current liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Deferred income	-	0.07
<b>Total other non-current liabilities</b>	<b>-</b>	<b>0.07</b>

## 25 Short-term borrowings

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Secured</b>		
Cash credit loan from banks	957.21	-
Current Maturities of long term borrowings	55.00	55.00
<b>Total short-term borrowings</b>	<b>1,012.21</b>	<b>55.00</b>

\*All short borrowings have first pari-passu charge upon all current assets, present and future of the borrower.



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 26 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	6.65	6.82
Total outstanding dues of creditors other than micro enterprises and small enterprises*	778.58	584.34
<b>Total trade payables</b>	<b>785.23</b>	<b>591.16</b>

Trade Payable ageing Schedule as on March 31, 2024:

Particulars	Particulars Outstanding for following periods from due date of Payment					Total
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	
Micro, Small & Medium Enterprises	-	6.65	-	-	-	6.65
Others	111.52	484.62	182.44	-	-	778.58
Disputed - Micro, Small & Medium Enterprises	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-
<b>Total</b>	<b>111.52</b>	<b>491.27</b>	<b>182.44</b>	<b>-</b>	<b>-</b>	<b>785.23</b>

Trade Payable ageing Schedule as on March 31, 2023:

Particulars	Particulars Outstanding for following periods from due date of Payment					Total
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	
Micro, Small & Medium Enterprises	-	6.82	-	-	-	6.82
Others	120.57	441.41	21.97	0.38	-	584.34
Disputed - Micro, Small & Medium Enterprises	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-
<b>Total</b>	<b>120.57</b>	<b>448.23</b>	<b>21.97</b>	<b>0.38</b>	<b>-</b>	<b>591.16</b>

Trade payables are non-interest bearing and for terms and conditions with related parties, refer to Note 41

Disclosure relating to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Amount remaining unpaid to any supplier at the end of each reporting period:		
Principal	6.65	6.82
Interest	0.07	0.34
<b>Total</b>	<b>6.72</b>	<b>7.16</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.07	0.34
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 27 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other financial liabilities at amortised cost</b>		
Interest accrued but not due on loan	1.25	0.67
Security deposits received	19.90	0.07
Payable for capital purchases	527.52	134.38
Employee Benefits Expenses Payable	115.76	92.83
Employee reimbursement payable	3.00	2.90
Payable for Initial Public Offer related expenses	-	2.68
Unclaimed dividend	0.05	-
<b>Total other financial liabilities</b>	<b>667.48</b>	<b>233.53</b>

## 28 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory due payable	88.16	18.25
Advance from Customers	2.31	5.22
Deferred income	0.06	1.18
<b>Total other current liabilities</b>	<b>90.53</b>	<b>24.65</b>

## 29 Revenue from operations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from services	5,900.19	4,640.83
<b>Total revenue from operations</b>	<b>5,900.19</b>	<b>4,640.83</b>
<b>(i) Reconciliation of Revenue from Contract with Customers</b>		
Revenue from Contract with Customers	5,944.69	4,662.82
Discount / Rebates Allowed Less:	(44.50)	(21.99)
<b>Revenue from services</b>	<b>5,900.19</b>	<b>4,640.83</b>

### (ii) Performance Obligation

Revenue from services: The performance obligation in respect of services is satisfied at a point of time.

## 30 Other income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest income:		
on fixed deposits	152.27	154.73
on other deposits	0.05	0.05
on income tax refund	-	4.39
on other financial assets at amortised cost	15.27	22.07
on loan to subsidiaries	-	0.31
Gain on sale/disposal of fixed assets	0.02	1.76
Provisions for doubtful debt written back	-	7.20
Miscellaneous income	0.35	3.59
<b>Total other income</b>	<b>167.96</b>	<b>194.10</b>

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 31 Cost of material consumed

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Inventory at the beginning of the year	250.74	91.70
Add: Purchases	1,517.73	900.83
Less: Inventory at the end of the year	(358.07)	(250.74)
<b>Cost of material consumed</b>	<b>1,410.40</b>	<b>741.79</b>

## 32 Employee benefits expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries, wages, bonus and other allowances	843.52	557.96
Contribution to provident and other funds	76.66	51.88
Gratuity expenses (Refer note 38)	12.02	14.34
Share based payment to employees (Refer note 39)	9.01	6.73
Staff welfare expenses	34.48	25.36
<b>Total employee benefits expense</b>	<b>975.69</b>	<b>656.27</b>

## 33 Finance costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest on borrowing-		
On bank loan	63.99	40.37
On Lease liabilities	38.52	17.89
On Other financial liabilities at amortised cost	38.36	5.90
Bank Charges	23.79	9.68
Other borrowing costs	-	2.99
<b>Total finance costs</b>	<b>164.66</b>	<b>76.83</b>

## 34 Depreciation and amortization expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation on Property, Plant & Equipment (Refer note 5)	739.03	531.94
Amortization of intangible assets (Refer note 6)	6.44	5.88
<b>Total depreciation and amortization expense</b>	<b>745.47</b>	<b>537.82</b>

## 35 Other expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Power & Fuel	99.48	68.40
Rent	88.21	88.32
Repairs and maintenance - Machinery	101.84	157.24
Insurance	3.88	4.50
Rates and taxes	9.80	7.95
Logistics expenses	20.69	21.38
Travelling and lodging expenses	66.45	47.71
Auditors' remuneration (Refer note below)	2.83	2.94
Security and facility management expenses	126.24	97.13
Branding and Advertisement Expenses	28.71	31.12
Printing & Stationery	72.05	48.77
Communication expenses	36.41	23.00
Corporate social responsibility expenses (Refer Note 47)	14.34	10.25

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 35 Other expenses (Contd..)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Office expenses	36.68	26.91
Legal and professional charges	51.87	47.54
Sitting Fees to Directors	4.20	2.70
Provision for doubtful debt	3.40	0.00
Reporting Charges	536.04	480.28
Loss on sale/disposal of fixed assets	0.55	-
Information Technology Support & Service Charges	128.50	60.78
Miscellaneous expenses	10.96	11.76
<b>Total other expenses</b>	<b>1,443.14</b>	<b>1,238.68</b>

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Breakup of auditor's remuneration:</b>		
Statutory audit fees*	1.36	1.36
Limited review fees*	1.24	1.24
Out of Pocket Expenses	-	0.08
Certification fees*	0.23	0.26
<b>Total</b>	<b>2.83</b>	<b>2.94</b>

\* Auditor's remuneration is inclusive of Goods & Service Taxes.

## 36 Income Tax

### (A) Deferred tax relates to the following:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax assets</b>		
On Provision for employee benefits	14.80	8.17
On Deduction available u/s 80JJAA	24.42	18.82
On Lease liability	91.08	8.44
On Provision for doubtful debts and advances	13.72	12.86
On Share issue expenses adjusted to securities premium account	21.95	32.93
On ESOP expense reserve	-	6.70
<b>Total Deferred tax assets</b>	<b>165.97</b>	<b>87.92</b>
<b>Deferred tax liabilities</b>		
On Difference between book depreciation and tax depreciation	311.08	195.86
On Deferred payment	18.73	19.71
<b>Total Deferred tax liabilities</b>	<b>329.81</b>	<b>215.57</b>
<b>Deferred tax (liability), net</b>	<b>(163.84)</b>	<b>(127.65)</b>

### (B) Reconciliation of deferred tax (liabilities), net:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance as of 1 <sup>st</sup> April	(127.65)	(77.94)
Tax liability recognized in Statement of Profit and Loss	(25.83)	(36.99)
Tax liability recognized in OCI	-	-
On re-measurements (losses) of post-employment benefit obligations	0.61	(1.73)
Tax liability recognized directly in equity	(10.98)	(10.99)
<b>Closing balance as at 31<sup>st</sup> March</b>	<b>(163.84)</b>	<b>(127.65)</b>

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 36 Income Tax (Contd..)

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

Particulars	As at March 31, 2024	As at March 31, 2023
On account of difference between book depreciation and tax depreciation	115.21	27.68
On account deferred vendor credit balance	(0.98)	19.71
On expenses allowed on payment basis:		
- Provision for employee benefits	(5.71)	(4.28)
- On Provision for doubtful debts and advances	(0.86)	1.82
On deduction u/s 80JJAA	(5.60)	2.07
On Lease Liability	(82.64)	(8.44)
On ESOP expense reserve	6.70	(1.57)
Others	(0.30)	
	<b>25.83</b>	<b>36.99</b>

### (D) Income tax expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
- Income tax expense	114.42	149.31
- Adjustments in respect of current income tax of previous year	(6.41)	0.52
- Deferred tax charge	25.83	36.99
<b>Income tax expense reported in the statement of profit or loss</b>	<b>133.84</b>	<b>186.82</b>

### (E) Income tax expense/(income) charged to OCI

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Tax effect on (profit)/loss on remeasurements of defined benefit plans	(0.61)	1.73
<b>Income tax charged to OCI</b>	<b>(0.61)</b>	<b>1.73</b>

### (F) Reconciliation of tax charge

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit before tax	719.45	821.91
Income tax expense at tax rates applicable	181.07	206.86
Tax effects of:		
- Item not deductible for tax	20.63	7.52
- Directly accounted in equity	(10.98)	(10.98)
- Deduction u/s 80JJAA	(23.92)	(14.23)
- earlier year tax impact	(6.41)	0.52
- Others	(26.55)	(2.87)
<b>Income tax expense</b>	<b>133.84</b>	<b>186.82</b>

## 37 Earnings per share

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

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



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 37 Earnings per share (Contd..)

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

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit attributable to equity holders	585.62	635.09
Less: adjustments for EPS	-	-
Profit attributable to equity holders adjusted for the effect of dilution	<b>585.62</b>	<b>635.09</b>
Weighted average number of equity shares for basic EPS	31,746,185	31,397,613
Effect of dilution:		
Share options	1,092,895	800,396
Weighted average number of equity shares adjusted for the effect of dilution	<b>32,839,081</b>	<b>32,198,009</b>
Basic profit per share (₹)	18.45	20.23
Diluted profit per share (₹)	17.83	19.72

The Company is having following potential equity shares :

Shares allotted to employees in pursuance of the Employee Stock Option Plan (ESOP).

## 38 Employee benefits

### (A) Defined Contribution Plans

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

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Employers' Contribution to Provident Fund (Refer note 32)	61.76	42.33
Employers' Contribution to Employee State Insurance (Refer note 32)	14.79	9.47
Employers' Contribution to Labour Welfare Fund (Refer note 32)	0.11	0.08
	<b>76.66</b>	<b>51.88</b>

### (B) Defined benefit plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary and dearness allowance per month computed proportionately for 15 days divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan.

Company maintains plan assets against with Life Insurance Corporations Limited to meet the obligation of Gratuity as per payment of Gratuity Act, 1972.

#### i) Actuarial assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate (per annum)	7.20%	7.30%
Rate of increase in Salary	6.00%	6.00%
Expected average remaining working lives of employees (years)	3.31	3.55
Attrition rate	30%	28%
Expected rate of return on plan assets	7.30%	6.40%

#### ii) Changes in the present value of defined benefit obligation

Particulars	Employees's gratuity plan	
	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the beginning of the year	27.27	20.35
Interest cost	1.93	1.26
Current service cost	10.84	13.68
Benefits paid	(1.73)	(1.25)
Actuarial (gain) on obligations	2.45	(6.77)
<b>Present value of obligation at the end of the year/period</b>	<b>40.76</b>	<b>27.27</b>

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 38 Employee benefits (Contd..)

### iii) Expense recognized in the Statement of Profit and Loss

Particulars	Employees's gratuity plan	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Current service cost	10.84	13.68
Interest cost	1.18	0.66
<b>Total expenses recognized in the Statement Profit and Loss*</b>	<b>12.02</b>	<b>14.34</b>

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

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Opening amount recognised in OCI outside profit and loss account	(12.53)	(5.64)
Remeasurement for the year- obligation (Gain)/Loss	2.45	(6.77)
Remeasurement for the year- plan asset (Gain)/Loss	(0.01)	(0.12)
Total Remeasurements (Credit)/Loss for the year recognised in OCI	2.44	(6.89)
<b>Closing amount recognised in OCI outside profit and loss account</b>	<b>(10.09)</b>	<b>(12.53)</b>

### v) Changes in the Fair Value of Plan Assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Present value of obligation at the end of the year	10.67	8.65
Interest Income	0.75	0.60
Contributions	1.01	4.00
Mortality Charges and Taxes	(0.03)	(0.20)
Benefits paid	(1.73)	(2.50)
Return on plan assets, excluding amount recognized in Interest Income- Gain	0.01	0.12
<b>Fair value of plan assets at the end of the period</b>	<b>10.68</b>	<b>10.67</b>

### vi) Assets and liabilities recognized in the Balance Sheet:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Present value of unfunded obligation as at the end of the year	(40.76)	(27.27)
Fair value of the plan assets at the end of period	10.68	10.67
(Deficit)	(30.08)	(16.60)
Current liability	30.08	16.60
Non-current liability	-	-
<b>Unfunded net (liability) recognized in Balance Sheet*</b>	<b>(30.08)</b>	<b>(16.60)</b>

\*Included in provision for employee benefits (Refer note 23)

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

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Net asset / (liability) recognised at the beginning of the period	(16.60)	(11.72)
Company contributions	1.01	4.00
Amount recognised outside	(2.44)	6.89
Expense recognised at the end of period	(12.02)	(14.34)
Mortality Charges and Taxes	(0.03)	(0.20)
Gratuity Benefits Received from Fund against payment made by company last year	-	(1.23)
<b>Net asset / (liability) recognised at the end of the period</b>	<b>(30.08)</b>	<b>(16.60)</b>

### viii) Expected contribution to the fund in the next year

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Gratuity	2.00	4.00

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 38 Employee benefits (Contd..)

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

Particulars	Employee's gratuity	
	As at March 31, 2024	As at March 31, 2023
Impact on defined benefit obligation		
Discount rate		
1.00% increase	(39.43)	(26.35)
1.00% decrease	42.19	28.25
Rate of increase in salary		
1.00% increase	41.77	27.97
1.00% decrease	(39.80)	(26.61)
Impact of change in withdrawal rate		
1.00% increase	40.56	27.15
1.00% decrease	40.98	27.39

x) Maturity profile of defined benefit obligation

Particulars	Employee's gratuity	
	As at March 31, 2024	As at March 31, 2023
Year		
Apr 2023- Mar 2024	0.00	5.11
Apr 2024- Mar 2025	6.78	4.36
Apr 2025- Mar 2026	5.58	3.94
Apr 2026- Mar 2027	7.91	5.98
Apr 2027- Mar 2028	8.28	6.87
Apr 2028- Mar 2029	10.30	-
Apr 2030- Mar 2034	48.92	35.15

## 39 Employee Stock Option Scheme 2020 (ESOP)

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

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

Particulars	Number	
	As at March 31, 2024	As at March 31, 2023
Options outstanding at beginning of year:		
Tranche 1 (Exercise Price: 225)	13,93,900	14,27,906
Tranche 2 (Exercise Price: 350)	4,21,000	4,94,108
Tranche 3 (Exercise Price: 561)	-	NA
<b>Add:</b>		
Options granted during the year:		
Tranche 1 (Exercise Price: 225)	-	-
Tranche 2 (Exercise Price: 350)	-	-
Tranche 3 (Exercise Price: 561)	2,31,766	NA
<b>Less:</b>		
Options exercised during the year:		
Tranche 1 (Exercise Price: 225)	6,42,670	-
Tranche 2 (Exercise Price: 350)	2,49,480	-
Tranche 3 (Exercise Price: 561)	-	NA
Options forfeited during the year:		
Tranche 1 (Exercise Price: 225)	-	34,006

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 39 Employee Stock Option Scheme 2020 (ESOP) (Contd..)

Particulars	Number	
	As at March 31, 2024	As at March 31, 2023
Tranche 2 (Exercise Price: 350)	-	73,108
Tranche 3 (Exercise Price: 561)	-	NA
Options outstanding at the end of year:		
Tranche 1 (Exercise Price: 225)	7,51,230	13,93,900
Tranche 2 (Exercise Price: 350)	1,71,520	4,21,000
Tranche 3 (Exercise Price: 561)	2,31,766	NA
Option exercisable at the end of year:		
Tranche 1 (Exercise Price: 225)	4,02,755	6,96,950
Tranche 2 (Exercise Price: 350)	1,71,520	2,10,500
Tranche 3 (Exercise Price: 561)	-	-

In accordance with the above mentioned ESOP Scheme, ₹9.01 million (FY2023-24) & ₹6.73 million (FY2022-23) has been charged to the Statement of Profit and Loss in respective periods in relation to the Share based payment expense. (Refer note 32)

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

Vesting year- Tranche 1	1	2	3	4
Weighted average fair value of the options at the grant dates (₹)	15.28	22.48	31.20	41.71
Compounded Risk-Free Interest Rate (%)	3.73%	4.21%	4.81%	5.10%
Number of periods to Exercise in years	1.25	2.25	3.25	4.25
Expected volatility (%)	27.39%	22.06%	19.25%	17.91%
Weighted average share price (₹)	341.35	341.35	341.35	341.35

Vesting year- Tranche 2	1	2	3	4
Weighted average fair value of the options at the grant dates (₹)	36.16	53.12	71.17	91.20
Compounded Risk-Free Interest Rate (%)	3.93%	4.41%	4.91%	5.32%
Number of periods to Exercise in years	1.25	2.25	3.25	4.25
Expected volatility (%)	26.89%	22.33%	19.80%	18.18%
Weighted average share price (₹)	572.35	572.35	572.35	572.35

Above fair value calculations are for options before split of share from face value ₹10 to ₹5 while the number of options reported above are after split.

Vesting year- Tranche 3	1	2	3	4
Weighted average fair value of the options at the grant dates (₹)	320.57	361.00	386.14	408.73
Compounded Risk-Free Interest Rate (%)	6.75%	6.78%	6.79%	6.80%
Number of periods to Exercise in years	3.50	4.50	5.50	6.50
Expected volatility (%)	38.52%	40.51%	39.20%	38.16%
Weighted average share price (₹)	692.20	692.20	692.20	692.20

## 40 Leases where company is a lessee

Leases in relation to plant & machinery comprise of CT & MRI machinies taken on finance lease model from Philips india Limited - details are as follows.

- 32 Slice CT Machine for opertaions at KDMC Center taken on lease in October 2020- to be paid over 84 installments.
- 3T MRI Machine at DY Patil Kolhapur Center taken on lease in October 2019- to be paid over 84 installments.
- 1.5T MRI Machine at Sutar Hospital taken on lease in December 2020- to be paid over 84 installments.
- 1.5T MRI Machine at Udupi Center taken on lease in October 2020- to be paid over 84 installments.
- 1.5T MRI Machine at Chandigarh Center taken on lease in January 2024- to be paid over 66 installments.

Leases in relation to Land & Building comprises of Stores & Office taken on lease for business purpose - The agreement ranges from 60 months to 120 months. Since these are long term lease - they are accounted pursuant to IND AS 116.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 40 Leases where company is a lessee (Contd..)

### i) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset		
	Land & Building	Plant & Machinery	Total
<b>Balance as at April 01, 2022</b>	<b>9.89</b>	<b>160.92</b>	<b>170.82</b>
Additions	27.41	-	27.41
Deletions	-	-	0.00
Depreciation	4.61	13.95	18.56
<b>Balance as at March 31, 2023</b>	<b>32.69</b>	<b>146.97</b>	<b>179.67</b>
Additions	399.42	63.60	463.02
Deletion	13.22	-	13.22
Depreciation	70.96	14.22	85.18
<b>Balance as at March 31, 2024</b>	<b>347.93</b>	<b>196.35</b>	<b>544.30</b>

### ii) Changes in lease liabilities

Particulars	Category of Lease Liability		
	Land & Building	Plant & Machinery	Total
<b>Balance as at April 01, 2022</b>	<b>10.23</b>	<b>143.39</b>	<b>153.62</b>
Additions	30.00	15.92	45.92
Lease Payments	6.16	33.57	39.73
<b>Balance as at March 31, 2023</b>	<b>34.07</b>	<b>125.74</b>	<b>159.81</b>
Additions	399.42	63.60	463.02
Deletion	13.32	-	13.32
Lease Payments	58.28	20.56	78.84
<b>Balance as at March 31, 2024</b>	<b>361.88</b>	<b>168.78</b>	<b>530.66</b>

### iii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2024	March 31, 2023
Current Lease Liabilities	166.86	26.97
Non-current Lease Liabilities	363.81	132.84

### iv) Maturity analysis of lease liabilities

Particulars	March 31, 2024	March 31, 2023
Less than one year	124.92	26.97
One to five years	354.69	123.25
More than five years	51.06	9.59
<b>Total</b>	<b>530.66</b>	<b>159.81</b>

### v) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2024	March 31, 2023
Interest on Lease Liabilities	38.52	17.89
Depreciation on ROU Assets	85.18	18.56

### vi) Changes in liabilities arising from financing activities, including both changes arising from cash and non-cash changes:

Particulars	March 31, 2024	March 31, 2023
<b>Opening lease liabilities</b>	<b>159.81</b>	<b>153.62</b>
<b>Non Cash flow movement</b>		
- Additions to ROU	463.02	27.41
- Deletions to ROU	(13.32)	-
- Unwinding cost on lease liability	38.52	17.89
<b>Cash flow movement</b>		
- Payment of Principal amount of lease liability	(81.90)	(21.73)
- Lease payment deferred	3.06	-
- Payment of interest on lease liability	(38.52)	(18.00)
<b>Closing Lease liabilities</b>	<b>530.66</b>	<b>159.18</b>



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 41 Related Party Disclosures:

In accordance with the requirements of Ind AS- 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods are:

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

#### Entity under common control

Krsna International Limited-Yemen

#### Wholly owned Subsidiaries

KDPL Diagnostics (Amritsar) Private Limited

KDPL Diagnostics (Bathinda) Private Limited

KDPL Diagnostics (Jalandhar) Private Limited

KDPL Diagnostics (Ludhiana) Private Limited

KDPL Diagnostics (Patiala) Private Limited

KDPL Diagnostics (SAS Nagar) Private Limited

Krsnaa Diagnostics (Mohali) Private Limited

#### Key Management Personnel (KMP)

Mr. Rajendra Mutha- Chairman & Wholetime Director

Mr. Yash Mutha- Joint Managing Director (From February 12, 2024) & Manager (From April 01, 2024)

Ms. Pallavi Bhatevara- Executive Director (Managing director upto March 31, 2024)

Mr. Prashant Deshmukh- Chief Executive Officer (from February 12, 2024)

Mr. Pawan Daga- Chief Financial Officer

Mr. Nikhil Deshpande- Company Secretary (from October 12, 2021 to April 24, 2023)

Mr. Sujoy Bose- Company Secretary (from August 01, 2023)

Ms. Sunita Mutha- Relative of KMP

Mr. Prakash Iyer- Independent Director (from April 25, 2021 to May 18, 2022)

Mr. Chetan Desai- Independent Director

Ms. Chhaya Palrecha- Independent Director

Mr. Prem Pradeep- Independent Director

Mr. Rajiv Verma- Independent Director

Mr. Adesh Kumar Gupta- Independent Director (from May 28, 2022)

#### Entity in which KMP exercise significant influence

Krsna Diagnostics (Mumbai) Private Limited

### (B) Details of transactions with related party for the year ended:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>(i) Key Management Personnel (KMP)</b>		
<b>Compensation of key management personnel</b>		
Ms. Pallavi Bhatevara	3.62	4.10
Mr. Rajendra Mutha	26.40	26.40
Mr. Prashanth Deshmukh	1.35	0.00
Mr. Yash Mutha	4.80	4.80
Mr. Pawan Daga	3.00	3.01
Mr. Nikhil Deshpande	0.28	1.68
Mr. Sujoy Bose	1.33	NA
<b>Sitting fees paid to directors</b>		
Mr. Prakash Iyer	NA	0.15
Mr. Chetan Desai	1.00	0.65
Ms. Chhaya Palrecha	1.05	0.70
Mr. Rajiv Verma	1.05	0.65
Mr. Adesh Kumar Gupta	1.10	0.55
<b>(ii) Expenses Incurred:</b>		
Ms. Sunita Mutha- Rent Expenses	39.77	36.82

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 41 Related Party Disclosures: (Contd..)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>(iii) Income from Subsidiaries</b>		
a) Interest on loan to subsidiaries	-	0.31
b) Revenue share income from subsidiaries:	320.14	163.00
KDPL Diagnostics (Amritsar) Private Limited	24.81	16.12
KDPL Diagnostics (Bathinda) Private Limited	23.40	7.45
KDPL Diagnostics (Jalandhar) Private Limited	30.44	18.70
KDPL Diagnostics (Ludhiana) Private Limited	31.13	23.08
KDPL Diagnostics (Patiala) Private Limited	27.13	25.84
KDPL Diagnostics (SAS Nagar) Private Limited	28.88	23.41
Krsnaa Diagnostics (Mohali) Private Limited	154.34	48.40
<b>(iv) Loans (asset) given during the period to subsidiaries</b>		
KDPL Diagnostics (Amritsar) Private Limited	-	0.16
KDPL Diagnostics (Bathinda) Private Limited	-	3.96
KDPL Diagnostics (Jalandhar) Private Limited	-	0.19
KDPL Diagnostics (Ludhiana) Private Limited	-	0.19
KDPL Diagnostics (Patiala) Private Limited	-	0.04
KDPL Diagnostics (SAS Nagar) Private Limited	-	0.64
Krsnaa Diagnostics (Mohali) Private Limited	-	44.09
<b>(v) Loans (asset) received back during the period</b>		
KDPL Diagnostics (Amritsar) Private Limited	-	0.37
KDPL Diagnostics (Bathinda) Private Limited	-	4.17
KDPL Diagnostics (Jalandhar) Private Limited	-	0.40
KDPL Diagnostics (Ludhiana) Private Limited	-	0.40
KDPL Diagnostics (Patiala) Private Limited	-	0.25
KDPL Diagnostics (SAS Nagar) Private Limited	-	0.69
Krsnaa Diagnostics (Mohali) Private Limited	-	46.48

## (C) Outstanding Balances

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i) Entity under common control</b>		
Krsna International Limited-Yemen-Receiveable	31.01	31.01
Less: Provision	(31.01)	(31.01)
	-	-
<b>ii) Investments in Subsidiaries</b>		
KDPL Diagnostics (Amritsar) Private Limited	0.10	0.10
KDPL Diagnostics (Bathinda) Private Limited	0.10	0.10
KDPL Diagnostics (Jalandhar) Private Limited	0.10	0.10
KDPL Diagnostics (Ludhiana) Private Limited	0.10	0.10
KDPL Diagnostics (Patiala) Private Limited	0.10	0.10
KDPL Diagnostics (SAS Nagar) Private Limited	0.10	0.10
Krsnaa Diagnostics (Mohali) Private Limited	0.10	0.10
<b>iii) Loan receivable from subsidiaries:</b>	-	-
<b>iv) Trade receivable/(trade advance received) from subsidiaries</b>		
KDPL Diagnostics (Amritsar) Private Limited	0.97	1.50
KDPL Diagnostics (Bathinda) Private Limited	(1.36)	1.47
KDPL Diagnostics (Jalandhar) Private Limited	2.04	0.29
KDPL Diagnostics (Ludhiana) Private Limited	1.55	(2.04)
KDPL Diagnostics (Patiala) Private Limited	2.68	(2.17)
KDPL Diagnostics (SAS Nagar) Private Limited	0.59	2.02
Krsnaa Diagnostics (Mohali) Private Limited	22.43	30.24
<b>v) Key Management Personnel (KMP)</b>		
<b>(a) Compensation payable to KMPs</b>		
Mr. Yash Mutha	0.19	0.21
Mr. Pawan Daga	0.14	0.18
Ms. Pallavi Bhatevara	0.05	0.22

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 41 Related Party Disclosures: (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
Mr. Nikhil Deshpande	NA	0.11
Mr. Rajendra Mutha	16.21	32.26
Mr. Sujoy Bose	0.14	NA
Mr. Prashant Deshmukh	0.63	NA
<b>(b) Other Payables</b>		
Sunita Mutha	4.67	4.49

### Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024 & March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

- D) Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	Loans/ Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	March 31, 2024		March 31, 2023	
				Amount outstanding as at the balance sheet date	% of Total	Amount outstanding as at the balance sheet date	% of Total
Promoter							
Directors							
KMPs							
Related Parties:							
i. Subsidiaries	Individually	Yes	No	-	-	-	-
ii. Krsna International Limited-Yemen (Entity under common control)	Individually	Yes	No	31.01	100%	31.01	100%
Less: Credit impaired and fully Provide for				(31.01)	-100%	(31.01)	-100%
<b>Total of Loan and Advances in the nature of Loan(Refer Note 9 &amp; 16)</b>				-	-	-	-

The remuneration to key managerial personnel does not include provision for gratuity and leave encashment as they are determined for the company as whole."

## 42 Segment reporting

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

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 43 Fair Value Measurement of Financial Assets & Financial Liabilities

### A) Financial Instruments by Category:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities that are not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	March 31, 2024		March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Asset</b>				
Assets carried at amortised cost:				
Investment:				
- in shares of Janata Sahakari Bank Limited, Pune	2.90	-	2.90	-
Security Deposit (Current + Non Current)	188.59	-	176.23	-
Fixed deposit accounts with maturity for more than 12 months	148.56	-	1,553.31	-
Fixed deposits with maturity less than 12 months	1,216.41	-	-	-
Trade receivables	1,780.66	-	745.45	-
Cash and cash equivalents	18.58	-	221.32	-
Bank balances other than cash and cash equivalent	511.70	-	860.76	-
Interest accrued on fixed deposits	125.82	-	77.33	-
Other receivables	77.67	-	21.96	-
Assets carried at fair value through P&L:				
Investment:				
- Mutual Funds	0.01	0.01	0.01	0.01
<b>Total Financial Asset</b>	<b>4,070.91</b>	<b>0.01</b>	<b>3,659.27</b>	<b>0.01</b>
<b>Financial Liabilities</b>				
Assets carried at amortised cost:				
Borrowings (including current maturities of long term borrowings and short term borrowings)	1,067.21	-	165.00	-
Security deposit received (Current + Non current)	19.90	-	18.20	-
Trade Payable	785.23	-	591.16	-
Interest accrued	1.25	-	0.67	-
Payable for capital purchases	733.11	-	453.06	-
Lease Liabilities	530.66	-	159.81	-
Employee reimbursement payable	3.00	-	2.90	-
Employee Benefits Expenses Payable	115.76	-	92.83	-
Payable for IPO expenses	-	-	2.68	-
Dividend Payable	0.05	-	-	-
<b>Total Financial Liabilities</b>	<b>3,256.17</b>	<b>-</b>	<b>1,486.31</b>	<b>-</b>

### B) Disclosure pursuant to Schedule V read with regulations 34(3) and 53(f) of the SEBI(Listing Obligations And Disclosure Requirements) Regulations,2015

i) Amount of loans / advances in nature of loans outstanding from subsidiaries as at March 31, 2024-

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
KDPL Diagnostics (Amritsar) Private Limited	-	-	-	0.21
KDPL Diagnostics (Bathinda) Private Limited	-	-	-	2.77
KDPL Diagnostics (Jalandhar) Private Limited	-	-	-	0.19
KDPL Diagnostics (Ludhiana) Private Limited	-	-	-	0.19
KDPL Diagnostics (Patiala) Private Limited	-	-	-	0.04
KDPL Diagnostics (Sas Nagar) Private Limited	-	-	-	0.64
Krsnaa Diagnostics (Mohali) Private Limited	-	-	-	19.03

ii) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount-

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Krsna International Limited-Yemen	31.01	31.01	31.01	31.01
Less: Credit impaired & full provided for in book	(31.01)	(31.01)	(31.01)	(31.01)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

iii) Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan as at March 31, 2024 & March 31, 2023- Nil

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 44 Fair value hierarchy

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

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

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

As at March 31, 2024	Level 1	Level 2	Level 3	Total
<b>Financial Asset</b>				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
<b>Total Financial Asset</b>	-	<b>0.01</b>	-	<b>0.01</b>
<b>Financial Liabilities</b>	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	-	-

As at March 31, 2023	Level 1	Level 2	Level 3	Total
<b>Financial Asset</b>				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
<b>Total Financial Asset</b>	-	<b>0.01</b>	-	<b>0.01</b>
<b>Financial Liabilities</b>	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	-	-

### b Valuation technique used to determine fair value

The investment in share of Janta Sahakari Bank is fair valued basis the best estimate and information available and the fair value approximates its carrying value. The investment in Kotak Liquid Fund Regular Plan Growth is fair valued basis the value of investment as on year end.

### c Fair Value of financial assets and liabilities measured at amortised cost

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

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

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

## 45 Financial risk management objectives and policies

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

### (A) Market risk

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

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables, remain constant. This calculation also



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 45 Financial risk management objectives and policies (Contd..)

assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Interest Rate Sensitivity	March 31, 2024	March 31, 2023
Increase by 100 basis point	7.61	5.13
Decrease by 100 basis point	(7.61)	(5.13)

### (B) Credit risk

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

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

The movement in the provision for the year ended are as follows:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>The movement in the provision for bad and doubtful debts for the year ended are as follows:</b>		
<b>Opening balance</b>	51.10	58.30
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	2.04	(7.20)
2. Write off as bad debts	-	-
<b>Closing Balance</b>	<b>49.06</b>	<b>51.10</b>
<b>The movement in the provision for doubtful advances for the year ended are as follows:</b>		
<b>Opening balance</b>	31.01	31.01
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	-	-
2. Write off as bad debts	-	-
<b>Closing Balance</b>	<b>31.01</b>	<b>31.01</b>

Company has two customers as at March 31, 2024 and one customer as at March 31, 2023 which accounts for 10% or more of the total trade receivables.

### (C) Liquidity risk

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

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

As at March 31, 2024	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	1,179.07	-	-	1,179.07
Long-term borrowings & leases	-	367.74	51.06	418.80
Trade payables	785.23	-	-	785.23
Other financial liability	667.48	205.46	0.13	873.07
	<b>2,631.78</b>	<b>573.20</b>	<b>51.19</b>	<b>3,256.17</b>

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 45 Financial risk management objectives and policies (Contd..)

As at March 31, 2023	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	81.97	-	-	81.97
Long-term borrowings & leases	-	233.25	9.59	242.84
Trade payables	591.16	-	-	591.16
Other financial liability	233.53	318.67	18.14	570.34
	<b>906.66</b>	<b>551.92</b>	<b>27.73</b>	<b>1,486.31</b>

## 46 Capital management

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

The board of directors have recommended the final dividend of ₹2.50 per equity share of the face value of ₹5 per equity share for the year ended March 31, 2024. The payment of dividend is subject to approval of shareholders at the ensuing Annual General meeting of the company. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current and current borrowing including current maturities of long term borrowings. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Equity Share Capital	161.45	156.99
Other Equity	7,990.96	7,268.02
<b>Total equity</b> (i)	<b>8,152.41</b>	<b>7,425.01</b>
Borrowings & lease liability	1,597.88	324.81
Less: cash and cash equivalents	(18.58)	(221.32)
<b>Net debt</b> (ii)	<b>1,579.30</b>	<b>103.49</b>
Overall financing (iii) = (i) + (ii)	9,731.71	7,528.50
Gearing ratio (ii)/ (iii)	0.16	0.01

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

## 47 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The details of funds primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013 are as follows:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Amount required to be spent by the Company during the year	14.34	10.25
ii) Amount of expenditure incurred	14.34	10.25
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	-	-
vi) Nature of CSR activities	Company has undertaken CSR activities for healthcare and education	

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 48 Utilisation of money raised through public issue

During the year ended March 31, 2022, the Company had raised ₹4,000 Million through public issue of fresh equity shares, mainly with an objective of repayment of borrowings, capital expenditure for setting-up new centers in Punjab, Karnatka, Himachal Pradesh & Maharashtra and for general corporate purposes. The Company has estimated to incur expenses aggregating ₹662.19 Million (out of which, 218.04 Million pertains company's share) towards the initial public offering which includes both issue of fresh equity shares as well as offer for sale of equity shares by existing share holders. Given below are the details of utilisation of proceeds raised through public issue.

Particulars	March 31, 2024	March 31, 2023
Unutilized amount at the beginning of the year	1,012.25	1,802.76
Amount raised through public issue	-	-
Less- Share Issue Expenses relating to fresh offer	-	-
<b>Net IPO Proceeds available for utilization</b>	<b>1,012.25</b>	<b>1,802.76</b>
<b>Less: amount utilized during the year</b>		
Payment towards project expenditure relating to Capital Expenditure	427.98	345.24
Payment towards repayment of borrowings	-	31.79
Payment towards general corporate purpose	504.70	454.73
Interest received on fixed deposits transferred to Regular account	135.91	-
<b>Less: Interest Received on Unutilized funds &amp; Others</b>		
Add: Interest received on funds re-invested during the year	56.35	41.26
Add: Amount pending to be released in current account of the company	-	-
<b>Amount Unutilized at the year end</b>	<b>-</b>	<b>1,012.25</b>

Details of short-term investments made from unutilized portion of public issue raised during the year ended:

Particulars	March 31, 2024	March 31, 2023
Balance amount in current account	-	1.00
Investment in fixed deposits of banks	-	1,011.24
	<b>-</b>	<b>1,012.25</b>

Company has made saving in the capital expenditure for the proposed expansion for establishing a diagnostics centre at Punjab, Karnataka, Himachal Pradesh & Maharashtra on account of better price negotiation with vendors. Owing to this savings, Company has transferred unutilised funds amounting to ₹150.00 million raised for the object of establishing diagnostics centre to General Corporate purpose based on approval obtained from Board of Director and Audit Committee dated February 12, 2024 for change in utilisation of IPO proceeds within the specified objects.

## 49 Commitment & Contingency

Contingent Liabilities	March 31, 2024	March 31, 2023
Other money for which the Company is contingently liable (refer note below)	36.50	36.50
Income Tax Liability (Refer note 50)	196.33	-
<b>Total</b>	<b>232.83</b>	<b>36.50</b>

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

Capital Commitments	March 31, 2024	March 31, 2023
- Estimated Amount of contracts remaining to be executed on capital account Net of Advances	565.08	549.99
<b>Total</b>	<b>565.08</b>	<b>549.99</b>

**50** Pursuant to the search proceedings initiated under the provisions of section 132(1) and section 133A of the Income Tax Act, 1961 on the Company on July 20, 2022, assessment order u/s 143(3) of the Income Tax Act, 1961, has been received by the Company for the assessment year (AY) 2022-23. The tax authorities have allegedly made additions on account of undisclosed income and disallowance of certain deduction claimed by the Company in the tax returns for the assessment year (AY) 2022-23 and raised a demand of ₹196.3 million. The Company has provided the requisite disclosure to the stock exchange with respect to search operation on July 29, 2022, and on April 01, 2024, with respect to receipt of said Order in accordance with Regulation 30 of the SEBI (LODR) Regulations, 2015 (as amended). The Company has filed an appeal with the Joint Commissioner/Commissioner of (Appeals) of Income Tax against the Order on April 29, 2024. The management of the Company based on available information, underlying evidence, and opinion from tax consultants/experts, is of the view that the said demand is not tenable and will not have any material impact on the Company's financial position as of March 31, 2024, and the performance for the year ended on that date.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 51 Reconciliation of quarterly statements of current assets filed with banks for the period

March 31, 2024:

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies [Refer Foot Note]
Jun-23		Trade Receivable Upto 120 Days	1,152.33	1,154.73	(2.40)	
		Inventories	283.95	283.95	-	
		(Trade Payable) Upto 90 days	135.17	135.06	0.11	
Sep-23	Indusind Bank & State Bank of India	Trade Receivable Upto 120 Days	1,481.97	1,456.17	25.80	Impact on account of book closure effect
		Inventories	364.30	364.30	-	
		(Trade Payable) Upto 90 days	472.21	472.75	(0.54)	
Dec-23	Indusind Bank & State Bank of India	Trade Receivable Upto 120 Days	1,683.27	1,463.57	219.69	Impact on account of book closure effect
		Inventories	473.62	473.62	-	
		(Trade Payable) Upto 90 days	714.48	709.26	5.22	
Mar-24		Trade Receivable Upto 120 Days	1,248.73	1,237.76	10.97	
		Inventories	358.07	358.07	-	
		(Trade Payable) Upto 90 days	443.71	448.66	(4.95)	

March 31, 2023:

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies [Refer Foot Note]
Jun-22		Trade Receivable Upto 120 Days	962.58	960.13	2.45	Impact on account of book closure effect
		Inventories	108.48	108.48	-	
		(Trade Payable) Upto 90 days	289.36	327.58	(38.22)	
Sep-22	Indusind Bank	Trade Receivable Upto 120 Days	961.72	961.90	(0.18)	Amount reported to Bank is net of of Advance to supplier.
		Inventories	173.04	173.04	-	
		(Trade Payable) Upto 90 days	301.58	288.58	13.00	
Dec-22	Indusind Bank	Trade Receivable Upto 120 Days	1,039.45	1,039.02	0.43	
		Inventories	221.73	221.73	-	
		(Trade Payable) Upto 90 days	261.72	259.92	1.80	
Mar-23		Trade Receivable Upto 120 Days	686.98	689.06	(2.08)	
		Inventories	250.74	250.74	-	
		(Trade Payable) Upto 90 days	287.81	287.34	0.46	

Post quarter/year-end, the company has filed the revised statement/returns for all the quarters with figures matching with books of accounts which is considered for above reporting.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 52 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**53** There are no immovable properties standing in the books of the company, hence the discloser of title deed not held in the name of the company is not applicable

**54** The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

**55** The company has not being declared as wilful defaulter by any bank or financials institution or any government authority

**56** The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

## 57 Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**58** The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year, (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

**59** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## 60 Registration of charges or satisfaction with Registrar of Companies

As per the records available on the Registrar of Companies (RoC) portal, the below charges which were created by the Company in earlier years are still appearing as unsatisfied. However, the Company has already obtained no-dues certificate/other relevant documents from the respective bank but due to technical errors, this charge could not be satisfied on RoC portal:

Charge holder name : Punjab National Bank

Amount : 0.10 million

## 61 Dividend

The board of directors have recommended the dividend of ₹2.50 per share of the face value of ₹5 per share for the year ended March 31, 2024. The payment of dividend is subject to approval of shareholders at the ensuing Annual General meeting of the company and hence was not recorded as liability.



# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 62 Ratios

S No.	Ratio	Numerator	Denominator	Ratio as on (in times where not in %)		Variation	Reason (If variation is more than 25%)
				March 31, 2024	March 31, 2023		
(a)	Current Ratio	Current Assets	Current Liabilities	1.53	2.35	-34.86%	Increase in short term borrowings has lead to reduction in this ratio.
(b)	Debt-Equity Ratio	Debt = Long term borrowing and current maturities of long-term borrowings and lease liabilities.	Total Equity	0.08	0.04	79.64%	Offices/places taken on rent increased which resulted in increase in lease liability- hence ratio is increased.'
(c)	Debt Service Coverage Ratio	Earnings available for Debt Service = Net profit after taxes + Non-cash operating expenses/(income) + finance cost	Debt Service = Repayment of borrowings (excluding the foreclosure amount prepaid during the current year) + interest paid + lease payments	5.00	7.98	-37.31%	Increase in lease liability- Building has resulted in increased debt serviced. This has caused reduction in this ratio.
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes	Average Shareholders' Equity	7.52%	8.89%	-15.40%	
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.63	4.33	6.95%	
(f)	Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	4.67	6.93	-32.63%	Increase in trade receivable has caused increase in this ratio.
(g)	Trade Payables Turnover Ratio	Purchases	Average Trade Payable * Trade payables related to purchases & consumables only	18.96	12.09	56.76%	Purchase have increased in current fiancial year owing to increase in business opertations.
(h)	Net Capital Turnover Ratio	Revenue from operations	Average Working Capital	4.29	2.93	46.56%	Decrease in working capital has caused increase in this ratio
(i)	Net Profit Ratio	Net Profit	Revenue from Operations	9.93%	13.68%	-27.47%	New centers were opened in FY 2023-24. Consumption has increased in such centers. Resulting in decrease in net profit.
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed = Average of Shareholders' Equity + Long Term Borrowings & Leases.	10.69%	11.96%	-10.64%	
(k)	Return on Investment	Income generated from investments	Average Investments	-	-	-	There are no returne on investment made in equity instruments hence no ratio is reported.

# Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 63 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

64 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
CIN:L74900PN2010PLC138068

### Shraddha D Khivasara

Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

### Rajendra Mutha

Chairman  
DIN: 01066737  
Place: Pune  
Date: May 18, 2024

### Yash Mutha

Joint Managing Director  
DIN: 07285523  
Place: Pune  
Date: May 18, 2024

### Pallavi Bhatevara

Executive Director  
DIN: 03600332  
Place: Pune  
Date: May 18, 2024

### Prashant Deshmukh

Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

### Pawan Daga

Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

### Sujoy Bose

Company Secretary  
Place: Pune  
Date: May 18, 2024

# Independent Auditor's Report

To the Members of **Krsnaa Diagnostics Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Krsnaa Diagnostics Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company, and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities

### Key Audit Matters

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Allowance for expected credit loss for trade receivables.</p> <p>As on March 31, 2024, trade receivables amount to ₹1,817.42 million against which provision of ₹54.50 million was made towards expected credit loss in the books of account. Refer Note 13 of consolidated financial statements for disclosures of trade receivables.</p> <p>Calculation of expected credit losses is a complex area and requires management to make significant assumptions on customer payment behavior and estimating the level and timing of expected future cash flows.</p> <p>We have identified allowance for expected credit loss as a key audit matter in view of the significant management judgement and estimation uncertainty involved.</p>	<p>In view of the significance of the matter, we have applied the following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence:</p> <ol style="list-style-type: none"><li>1. Obtained understating of the Group' accounting policy on assessment of impairment of trade receivables, including design and implementation of related management controls around it.</li><li>2. Tested the operating effectiveness of key controls for samples selected.</li><li>3. Obtained aging report of trade receivables and verified the completeness and accuracy of the same. Also reperformed aging for a sample of customer balances.</li><li>4. Verified the appropriateness of the method and model used for computing the ECL provision and tested the reasonableness of the underlying assumptions used therein. Ensured the same is consistent with previous years.</li></ol>

for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note No. 51 of the consolidated financial statements in respect of additions made by the Income Tax Authorities consequent to an assessment order passed in relation to search and seizure conducted under section 132(1) and section 133A of the Income Tax Act 1961. The Holding company has filed an appeal with the Joint Commissioner (Appeals) or Commissioner of (Appeals) of Income Tax against the said Order. As there is uncertainty on the ultimate outcome of the assessment proceedings, the impact on the current and previous period financial statements including income tax, interest, and other charges if any, is currently unascertainable.

Our opinion is not modified in respect of the above matter."

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p>Revenue Recognition from contracts with customers.</p> <p>The Group earns revenue from diagnostic services provided by the large number of diagnostics centers set up across various states in India through Public Private Partnership (“PPP”) agreements with government authorities and agreements with private hospitals.</p> <p>Revenue from diagnostics services is recognised at a point in time when the tests are conducted, and samples are processed.</p> <p>Owing to the high volume of sales transactions with customers and significant value of sales being cash and carry basis increases the risk of revenue being recognised inappropriately and which highlights the criticality of sound internal processes of summarizing and recording sales revenue to mitigate error and fraud risk.</p> <p>In view of the above, we have identified revenue recognition as a key audit matter.</p>	<ol style="list-style-type: none"> <li>5. Tested the mathematical accuracy of the computation and compared the Group’s provisioning rates against the historical trend of actual collection.</li> <li>6. Evaluated management comments and recovery plans for trade receivables outstanding for more than 180 days, including validation of the same.</li> <li>7. Requested for and obtained independent balance confirmations from the customers on a sample basis. Also verified subsequent receipts after the year-end on a sample basis.</li> <li>8. Verified the adequacy and accuracy of the disclosures made in the consolidated financial statement in relation to such provision in accordance with the requirements of the relevant Ind AS.</li> </ol> <p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. Obtained an understanding of the systems, processes and controls implemented by the Group. Evaluated the design and implementation and the operating effectiveness of key internal financial controls with respect to revenue recognition including information and technology control environment, key IT application control over the Group’s IT systems which governs revenue recognition, authorization of agreements &amp; Invoices and those related to the reconciliation of revenue to cash.</li> <li>2. Obtained list of revenue contracts and read the terms of contract.</li> <li>3. Tested the reconciliation of revenue as per the billing system to the revenue recorded as per the accounting records and the reconciliation of total revenue generated through cash to the amount deposited into the bank statements.</li> <li>4. Tested on a sample basis, manual journal entries relating to revenues to identify and inquire on unusual items, if any.</li> <li>5. Performed substantive testing on samples selected using statistical sampling of revenue transactions recorded during the year by testing the underlying contracts, patient test reports issued to verify occurrence of the transaction and assess whether criteria for revenue recognition are met.</li> <li>6. Ensured cut off assertion by reviewing the Group’s revenue recognition policies, understanding the frequency and period of invoicing and comparing the invoice counts to the invoices raised during the reporting period to ensure that the revenue is completely recorded in correct accounting period.</li> <li>7. Performed analytical procedures on revenue recognised during the year to identify and inquire on unusual variances, if any and obtained reasons for variances from the management of the Group.</li> <li>8. Assessed the adequacy and appropriateness of the disclosures made in the financial statements to ensure they are accurate, complete, and comply with the requirements of Ind AS 115.</li> </ol> <p>In view of the significance of the matter, we applied the following audit procedures in this area:</p> <ol style="list-style-type: none"> <li>1. Performed an understanding of the systems, processes and controls implemented by the Group. Evaluated the design, implementation and the operating effectiveness of key internal financial controls over the costs capitalised to property, plant and Equipments and those included in capital work in progress, including approvals for Purchase Orders, Invoices, GRN and capitalisation of employee costs.</li> </ol>
3	<p>Capitalisation of Property, Plant and Equipments.</p> <p>During the year the Group has made addition to property, plant and Equipments amounting to ₹2,530.42 million (Refer Note 5 to the consolidated financial statements) which mainly relates to the cost of setting up the diagnostics centers across various geographies for contracts entered during the year with government authorities and private parties. These costs include the cost of plant &amp; machinery, civil &amp; infrastructure, furniture &amp; fixtures and other ancillary costs. Further, during the current year,</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area:</p> <ol style="list-style-type: none"> <li>1. Performed an understanding of the systems, processes and controls implemented by the Group. Evaluated the design, implementation and the operating effectiveness of key internal financial controls over the costs capitalised to property, plant and Equipments and those included in capital work in progress, including approvals for Purchase Orders, Invoices, GRN and capitalisation of employee costs.</li> </ol>



Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>the Holding Company has re-assessed the useful life of assets and considered residual value in computation of depreciation resulting in a change in estimates (Refer Note No. 5.1).</p> <p>Further, Holding Company has also applied judgements in estimating the life to be considered for depreciating the civil, infrastructure, and other ancillary costs taking into consideration the revenue contract term, lease terms, and other factors including the history of the extension period for revenue contracts.</p> <p>In addition to this, the Group has also identified employee costs incurred for the set-up of new centers and has applied judgment to assess if the costs incurred about new center meet the recognition criteria of Property, Plant, and Equipment in accordance with Ind AS 16</p> <p>This has been determined as a key audit matter due to the significance of the capital expenditure incurred during the year and significant management judgement in the capitalisation of employee costs and estimating the life for depreciating the civil, infrastructure and other ancillary costs.</p>	<ol style="list-style-type: none"> <li>2. Tested the reconciliation of balance as per fixed assets register to the balance as per general ledger from the accounting records.</li> <li>3. Obtained physical verification reports of assets physically verified by the management and performed reconciliation on sample basis to the fixed assets register.</li> <li>4. Obtained the understanding of the employee cost capitalised and assessed whether the same meets the recognition criteria in accordance with Ind AS 16.</li> <li>5. Ensured existence and accuracy assertion by performing substantive testing on selected samples of capital expenditure recorded during the year by testing the underlying documents including purchase orders, invoices, GRN, working related to employee costs capitalised.</li> <li>6. Obtained the technical evaluation for life of assets and residual value from the Group and tested the reasonableness of the management assessment relating to the life of assets as assessed by the management for depreciation of the assets.</li> <li>7. Evaluated the management assessment on whether there are indicators of impairments and assessment performed by the management for no impairment provision.</li> <li>8. Assessed the adequacy and appropriateness of the disclosures made in the financial statements to ensure they are accurate, complete, and comply with the relevant IND AS.</li> </ol>

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's report including Annexure to the Director's report, Management Discussion and Analysis, Corporate Governance Report but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true

and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.



## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on consideration of the reports issued by us on the financial statement of seven (7) subsidiaries we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g).
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).
  - f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and the reports issued by us on the financial statement of the subsidiaries none of the directors of the Group companies are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 50 to the consolidated financial statements.
    - ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
    - iv.
      1. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited by us under the Act have represented to us to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      2. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited by us under the Act have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries, directly or

indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on financial statements of the Holding Company and its subsidiaries which have been audited by us under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. On the basis of our verification, we report that:

The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to the payment of dividends.

The Board of Directors of the Holding Company has proposed the final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to the declaration of dividend. (Refer Note 61 to the consolidated financial statements)

- vi. Based on our examination, the Group has used accounting software for maintaining its books of account during the year ended March 31, 2024,

which has a feature of recording audit trail (edit log) facility, and the same has been enabled and operated throughout the year for all relevant transactions recorded in the software. During the course of our examination, we did not come across any instance of the audit trail being tampered with.

Based on our examination, the Group has used two accounting software’s for maintaining its revenue and purchase records and processing its payroll transactions during the year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in the accounting software to log any direct data changes throughout the period. Further, the audit trail facility has been operated throughout the year for all relevant transactions recorded in the accounting software’s, except at the database level as stated above, in respect of which the audit trail facility has not operated throughout the year for all relevant transactions recorded in this accounting software’s as it was not enabled. During the course of our examination, we did not come across any instance of the audit trail being tampered with.

2. In our opinion, according to the information, and explanations given to us, the remuneration paid by the Holding Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder except in the case of Seven (7) subsidiaries, as the provision of the aforesaid section is not applicable to private companies.
3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by us in the Companies (Auditor’s Report) Order 2020 (CARO) Reports of the Holding Company and its Subsidiaries issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding / Subsidiary/ Associate)	Clause number of the CARO Report which is qualified or Adverse
1	Krsnaa Diagnostics Limited	L74900PN2010PLC138068	Holding	ii(b),vii (a),x(a)
2	KDPL Diagnostics (Amritsar) Private Limited	U85100PN2021PTC199780	Subsidiary	vii (a), (xvii)
3	KDPL Diagnostics (Bathinda) Private Limited	U85100PN2021PTC199781	Subsidiary	vii (a), (xvii)
4	KDPL Diagnostics (Jalandhar) Private Limited	U85100PN2021PTC199783	Subsidiary	vii (a), (xvii)
5	KDPL Diagnostics (Ludhiana) Private Limited	U85100PN2021PTC199690	Subsidiary	vii (a), (xvii)
6	KDPL Diagnostics (Patiala) Private Limited	U85100PN2021PTC199785	Subsidiary	vii (a), (xvii)
7	KDPL Diagnostics (SAS Nagar) Private Limited	U85110PN2021PTC199787	Subsidiary	vii (a), (xvii)
8	Krsnaa Diagnostics (Mohali) Private Limited	U85300PN2021PTC202948	Subsidiary	vii (a), (xvii)

**For M S K A & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

**Shraddha D Khivasara**

Partner

Membership No. 134285

UDIN: 24134285BKEZBI2437

Place: Pune

Date: May 18, 2024

# Annexure A to the Independent Auditor's Report on even date on the Consolidated Financial Statements of Krsnaa Diagnostics Limited

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration No. 105047W

### Shraddha D Khivasara

Partner

Place: Pune  
Date: May 18, 2024

Membership No. 134285  
UDIN: 24134285BKEZBI2437

# Annexure B to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Krsnaa Diagnostics Limited

Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Krsnaa Diagnostics Limited on the Consolidated Financial Statements for the year ended March 31, 2024

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

### Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Krsnaa Diagnostics Limited (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

### Management and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We

conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, which are companies incorporated in India.

### Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

## Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Pune

Date: May 18, 2024

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Shraddha D Khivasara**  
Partner  
Membership No. 134285  
UDIN: 24134285BKEZBI2437



# Consolidated Balance Sheet

as at March 31, 2024

(Amount in ₹ million unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	6,447.21	4,678.47
Capital work-in-progress	7	98.45	254.80
Intangible assets	6	24.34	28.28
Financial assets			
Investments	8	2.91	2.91
Loans	9	-	-
Other non current financial assets	10	326.64	1,739.62
Deferred tax asset (net)	36	16.31	13.88
Other non-current assets	11	591.41	151.81
<b>Total non-current assets</b>		<b>7,507.27</b>	<b>6,869.77</b>
<b>Current assets</b>			
Inventories	12	358.07	250.74
Financial assets			
Trade receivables	13	1,762.92	730.97
Cash and cash equivalents	14	23.75	227.20
Bank balances other than cash and cash equivalent	15	511.70	860.76
Other Current financial assets	16	1,430.75	89.49
Other current assets	17	124.67	69.99
<b>Total current assets</b>		<b>4,211.86</b>	<b>2,229.15</b>
<b>Total assets</b>		<b>11,719.13</b>	<b>9,098.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	161.45	156.99
Other equity	19	7,936.57	7,230.37
<b>Total equity</b>		<b>8,098.02</b>	<b>7,387.36</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	20	55.00	110.00
Lease Liabilities	21	363.81	132.84
Other financial liabilities	22	205.59	336.81
Employee benefit obligations	23	17.75	12.26
Deferred Tax Liabilities (Net)	36	164.30	127.65
Other non-current liabilities	24	-	0.07
<b>Total non-current liabilities</b>		<b>806.45</b>	<b>719.63</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	25	1,012.21	55.00
Lease Liabilities	21	166.86	26.97
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises	26	9.15	6.82
ii) total outstanding dues of creditors other than micro enterprise and small enterprise	26	814.04	614.43
Other financial liabilities	27	678.19	244.32
Other current liabilities	28	91.95	22.89
Employee benefit obligations	23	42.26	21.51
<b>Total current liabilities</b>		<b>2,814.66</b>	<b>991.94</b>
<b>Total liabilities</b>		<b>3,621.11</b>	<b>1,711.57</b>
<b>Total equity and liabilities</b>		<b>11,719.13</b>	<b>9,098.93</b>

Summary of Material accountintg policies

2

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
CIN:L74900PN2010PLC138068

**Shraddha D Khivasara**  
Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

**Rajendra Mutha**  
Chairman  
DIN: 01066737  
Place: Pune  
Date: May 18, 2024

**Yash Mutha**  
Joint Managing Director  
DIN: 07285523  
Place: Pune  
Date: May 18, 2024

**Pallavi Bhatevara**  
Executive Director  
DIN: 03600332  
Place: Pune  
Date: May 18, 2024

**Prashant Deshmukh**  
Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

**Pawan Daga**  
Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

**Sujoy Bose**  
Company Secretary  
Place: Pune  
Date: May 18, 2024

# Statement of Consolidated Profit and Loss

for the Year ended March 31, 2024

(Amount in ₹ million except earning per share unless otherwise stated)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	29	6,196.33	4,871.23
Other income	30	167.96	193.79
<b>Total income</b>		<b>6,364.29</b>	<b>5,065.02</b>
<b>Expenses</b>			
Cost of material consumed	31	1,410.40	741.79
Employee benefits expense	32	1,114.65	745.64
Finance costs	33	164.88	76.97
Depreciation and amortization expense	34	745.47	537.82
Fees to hospitals and others		654.68	812.07
Other expenses	35	1,574.14	1,348.72
<b>Total expenses</b>		<b>5,664.22</b>	<b>4,263.01</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>700.07</b>	<b>802.01</b>
Exceptional items			
<b>Profit before tax</b>		<b>700.07</b>	<b>802.01</b>
<b>Tax expense</b>	36		
Current Tax			
Income Tax charge		114.42	149.31
Adjustment of Tax relating to earlier years		(6.41)	0.52
Deferred tax charge		23.69	31.07
<b>Total tax expenses</b>		<b>131.70</b>	<b>180.90</b>
<b>Profit for the year</b>		<b>568.37</b>	<b>621.11</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
Remeasurement gain/(loss) of net defined benefit obligation		(1.78)	6.54
Income tax effect		0.45	(1.65)
		<b>(1.33)</b>	<b>4.89</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>(1.33)</b>	<b>4.89</b>
<b>Total comprehensive income for the year</b>		<b>567.04</b>	<b>626.00</b>
<b>Profit for the year</b>			
Attributable to:			
Equity Holders of the Holding Company		568.37	621.11
Non Controlling Interests		-	-
		<b>568.37</b>	<b>621.11</b>
<b>Other comprehensive income for the year</b>			
Attributable to:			
Equity Holders of the Holding Company		(1.33)	4.89
Non Controlling Interests		-	-
		<b>(1.33)</b>	<b>4.89</b>
<b>Total comprehensive income for the year</b>			
Attributable to:			
Equity Holders of the Holding Company		567.04	626.00
Non Controlling Interests		-	-
		<b>567.04</b>	<b>626.00</b>
<b>Earnings per share</b>			
Basic earnings per share (₹)	37	17.90	19.78
Diluted earnings per share (₹)	37	17.31	19.29

Summary of Material accounting policies

2

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
CIN:L74900PN2010PLC138068

## Shraddha D Khivasara

Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

## Rajendra Mutha

Chairman  
DIN: 01066737  
Place: Pune  
Date: May 18, 2024

## Yash Mutha

Joint Managing Director  
DIN: 07285523  
Place: Pune  
Date: May 18, 2024

## Pallavi Bhatevara

Executive Director  
DIN: 03600332  
Place: Pune  
Date: May 18, 2024

## Prashant Deshmukh

Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

## Pawan Daga

Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

## Sujoy Bose

Company Secretary  
Place: Pune  
Date: May 18, 2024

# Statement of Changes in Equity

for the Year Ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## (A) Equity share capital

Equity share of ₹ 5 each issued, subscribed and fully paid up:	Equity Share Capital	
	No. of shares	Amount
<b>Balance as at April 01, 2022</b>	<b>31,397,613</b>	<b>156.99</b>
Add: Changes in share capital due to prior period errors	-	-
Add: Other changes in share capital	-	-
<b>Balance as at March 31, 2023</b>	<b>31,397,613</b>	<b>156.99</b>
Add: Changes in share capital due to prior period errors	-	-
Add: Issue of share capital due to Employee Stock Options	892,150	4.46
<b>Balance as at March 31, 2024</b>	<b>32,289,763</b>	<b>161.45</b>

## (B) Other equity

Particulars	Reserve and surplus				Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings	Other items of other comprehensive income	
Balance as at April 01, 2022	20.38	6,390.93	271.88	3.91	6,687.10
Profit for the period	-	-	621.11	-	621.11
Other comprehensive income (net of tax)	-	-	-	4.90	4.90
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>621.11</b>	<b>4.90</b>	<b>626.01</b>
<b>Transactions with owners in their capacity as owners:</b>					
Deferred tax on share issue expenses	-	(10.98)	-	-	(10.98)
Share based payment expense	6.73	-	-	-	6.73
Payment of dividend to equity shareholders	-	-	(78.49)	-	(78.49)
Forfeiture of share options	(0.48)	-	0.48	-	-
<b>Balance as at March 31, 2023</b>	<b>26.63</b>	<b>6,379.95</b>	<b>814.98</b>	<b>8.81</b>	<b>7,230.37</b>

Particulars	Reserve and surplus				Total
	Employee Stock options outstanding account (ESOOA)	Securities premium	Retained earnings	Other items of other comprehensive income	
Balance as at April 01, 2023	26.63	6,379.95	814.98	8.81	7,230.37
Profit for the period	-	-	568.37	-	568.37
Securities premium credited on share issue	-	239.16	-	-	239.16
Other comprehensive income (net of tax)	-	-	-	(1.33)	(1.33)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>239.16</b>	<b>568.37</b>	<b>(1.33)</b>	<b>806.20</b>
<b>Transactions with owners in their capacity as owners:</b>					
Deferred tax on share issue expenses	-	(10.98)	-	-	(10.98)
Share based payment expense	9.01	-	-	-	9.01
Payment of dividend to equity shareholders	-	-	(86.34)	-	(86.34)
Utilisation of reserves towards exercise of ESOPs	(11.69)	-	-	-	(11.69)
<b>Balance as at March 31, 2024</b>	<b>23.95</b>	<b>6,608.13</b>	<b>1,297.01</b>	<b>7.48</b>	<b>7,936.57</b>

Summary of Material accounting policies

2

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As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
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**Shraddha D Khivasara**  
Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

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Chairman  
DIN: 01066737  
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Joint Managing Director  
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Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

**Pawan Daga**  
Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

**Sujoy Bose**  
Company Secretary  
Place: Pune  
Date: May 18, 2024

# Consolidated Statement of Cash Flow

for the Year ended March 31, 2024

(Amount in ₹ million except earning per share unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from operating activities</b>		
Profit before Tax	700.07	802.01
Adjustments for:		
Depreciation and amortization expenses	745.47	537.82
Share Based Payment Expense	9.01	6.73
Finance cost	164.88	76.97
Interest income on deposits	(152.33)	(159.17)
Loss / (Gain) on sale/disposal of Property, Plant & Equipment	0.53	(1.76)
Provision for credit Impaired/(Reversal in provision for credit impairment)	3.40	(7.20)
Amortisation of deferred revenue	(1.19)	(1.27)
Amortisation of prepaid rent	(56.51)	16.74
Interest income on other financial assets	(14.07)	(20.80)
<b>Operating profit before working capital changes</b>	<b>1,399.26</b>	<b>1,250.07</b>
<b>Changes in working capital</b>		
Increase/(Decrease) in trade payables	156.69	(167.29)
(Increase) in inventories	(107.33)	(159.04)
(Increase) in trade receivables	(1,035.49)	(144.31)
Increase in other current liabilities	70.32	3.23
(Decrease) in other non current liabilities	-	(1.18)
Increase/(Decrease) in other current financial liabilities	41.07	(250.44)
Increase in other non current financial liabilities	23.72	277.74
Increase in employee payables	24.46	17.35
(Increase)/decrease in other current financial assets	(58.09)	71.97
Decrease/(increase) in non current financial assets	4.05	(18.62)
Decrease in other current assets	2.56	6.21
(Increase)/decrease in other non current assets	(89.75)	8.62
<b>Cash generated from in operations</b>	<b>431.47</b>	<b>894.31</b>
Income tax paid (Net of refunds)	(188.02)	(131.30)
<b>Net cash inflows from operating activities (A)</b>	<b>243.45</b>	<b>763.01</b>
<b>Cash flow from Investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1,938.87)	(1,413.60)
Proceed from sale of property, plant and equipment and intangible assets	8.87	66.34
Proceeds from/(Investment in) bank deposits [net]	537.40	156.92
Interest received	103.83	101.45
<b>Net cash (used) in investing activities (B)</b>	<b>1,288.77</b>	<b>1,088.89</b>

# Consolidated Statement of Cash Flow

for the Year ended March 31, 2024

(Amount in ₹ million except earning per share unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash flow from Financing activities</b>		
Proceeds from issuance of equity share capital	231.92	-
Proceeds from Short Term borrowings (Net)	957.21	-
Repayment of borrowings	(55.00)	(91.30)
Lease liabilities paid	(81.90)	(39.70)
Share issue expenses	-	(68.50)
Dividend payment to equity shareholders	(86.29)	(78.49)
Interest paid	(124.07)	(53.46)
<b>Net cash generated from/(used) in financing activities (C)</b>	<b>841.87</b>	<b>(331.45)</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(203.45)</b>	<b>(657.33)</b>
Cash and cash equivalents at the beginning of the period	227.20	884.53
<b>Cash and cash equivalents at the end of the period</b>	<b>23.75</b>	<b>227.20</b>
<b>Cash and cash equivalents comprise (Refer note 14)</b>		
Balances with banks		
On current accounts	10.42	211.31
Debit balance in bank overdraft	-	5.30
Cash on hand	13.33	10.59
<b>Total cash and bank balances at end of the period</b>	<b>23.75</b>	<b>227.20</b>

Summary of Material accountintg policies

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date  
For **M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
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Date: May 18, 2024

**Sujoy Bose**  
Company Secretary  
Place: Pune  
Date: May 18, 2024



# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 1 General Information

Krsnaa Diagnostics Limited (formerly known as Krsnaa Diagnostics Private Limited) (Holding Company) is a public company domiciled in India and was incorporated on December 20, 2010 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at HO- S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Pune, Maharashtra - 411019. The Holding Company is primarily engaged in the business of providing Diagnostic Services primarily in relation to Pathology Investigation, Radiology Investigation and Tele reporting.

The Holding Company was converted to a public limited company with effect from May 6, 2021. The Holding Company was listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on August 16, 2021.

The Holding company has invested into seven special purpose vehicles (SPVs) which are wholly owned subsidiaries namely, - KDPL Diagnostics (Ludhiana) Private Limited on March 22, 2021, KDPL Diagnostics (Amritsar) Private Limited on March 24, 2021, KDPL Diagnostics (Bathinda) Private Limited on March 24, 2021, KDPL Diagnostics (Jalandhar) Private Limited on March 24, 2021, KDPL Diagnostics (Patiala) Private Limited on March 24, 2021, KDPL Diagnostics (SAS Nagar) Private Limited on March 24, 2021 and Krsnaa Diagnostics (Mohali) Private Limited on July 27, 2021, and are engaged in the same business, together referred as 'Group'.

The financial statements were approved by the Holding Company's Board of Directors and authorised for issue on May 18, 2024.

## 2 Material accounting policies

Material accounting policies adopted by the Group are as under:

### 2.1 Basis of Preparation of Ind AS Financial Statements

#### (a) Statement of Compliance with Ind AS

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated financial statements.

#### (b) Change in accounting estimate

During the year Group has reassessed the useful life and residual value of certain assets. As per Ind AS 8, the effect of change in accounting estimate has to be given prospectively in the financial statements. Due to this change in accounting estimate, depreciation

expense is lower and profit before taxes is higher by ₹39.67 million for the year ended March 31, 2024. Refer note 5.1 for change in accounting estimate.

#### (c) Basis of measurement

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

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

#### (d) Classification of Current and Non Current

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

#### (e) Use of estimates

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

#### (f) All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

### 2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and cost of employees incurred towards setting up new centers.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate,

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

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

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

## Depreciation methods, estimated useful lives

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

Property, plant and equipment	Life Used by Group	Life as per Schedule II	Residual Value (%)
Plant & Machinery	5 to 13 years	13 years	5 to 20
Furniture and Fixtures	10 years	10 years	5
Office Equipment	5 years	5 years	5
Leasehold Improvement	Amortised over lease period or 12 year whichever is lower	10 years	5
Vehicle	8 years	8 years	20
Computers (end user devices such as, desktops, laptops etc.)	3 years	3 years	5

Leasehold improvements are amortised over the estimated useful economic life i.e. 12 years or lease period including expected renewal period whichever is lower.

During the year, the Holding Company has reassessed the estimated economic useful life of certain assets forming part of Plant & Machinery and leasehold improvement based on technical evaluation carried out by the company. In case of plant and machinery company has reassessed the useful life from 13 year to 5/10 years and leasehold improvement from 10 years to 12 years or lease period including expected renewal period whichever is lower. Holding Company has also reassessed residual value for all the assets from 0% to 5%/10%/20% as mentioned in table above except intangibles. For impact of change in accounting estimate refer note 5.1.

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

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

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

## 2.3 Other Intangible Assets

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

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

Intangible assets	Life Used by Group
Computer Software	6 years

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

## 2.4 Foreign Currency Transactions

### (a) Functional and presentation currency

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

### (b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions."

## 2.5 Fair value measurement

The Group measures financial instruments such as investment in mutual fund at each balance sheet date.

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

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

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

## 2.6 Revenue from Contract with Customers

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

Revenue from diagnostic services is recognised on amount billed net of discounts/ rebates and taxes if any.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when underlying tests are conducted

and reports are processed. The Group also enters into contract with vendor's for providing various services at its diagnostic centre's which helps group to fulfil its performance obligation.

Group has assessed these contracts and has concluded that it is primarily responsible for fulfilling the performance

obligation in the contract and has no agency relationships. Accordingly the revenue has been recognised at the gross amount as and when services are provided and performance obligation is satisfied. Payment made to vendor's for various services provided at diagnostic centre's is recognised as 'Fees to hospitals and others' as an expense as and when services are received from vendor.

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

## Other Income

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

## Expenses

Fees to Hospital & other pertains to expenses incurred for availing various services at diagnostics centre.

Expenses is recognised as and when services are received from vendors and is net of discounts.

## 2.7 Taxes

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

### (a) Current income tax

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

### (b) Deferred tax

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

taxable amounts will be available to utilize those temporary differences and losses.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax asset and current tax liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

## 2.8 Leases

### The Group as a lessee

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

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the

option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

## 2.9 Inventories

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

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

Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on item by item basis.

## 2.10 Impairment of non-financial assets

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

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

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present

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value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).”

## 2.11 Provisions and contingent liabilities

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

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

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

## 2.12 Cash and cash equivalents

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

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

## 2.13 Financial instruments

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

### (a) Financial assets

#### (i) Initial recognition and measurement

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

loss. However, trade receivables generally do not contain a significant financing component and are measured at transaction price.

#### (ii) Subsequent measurement

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

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

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

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

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

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

**Equity instruments:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind





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AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

### (iii) Impairment of financial assets

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

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

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

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension

etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

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

### (iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

## (b) Financial liabilities

### (i) Initial recognition and measurement

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

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

### (ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

## Loans and borrowings

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

### (iii) Derecognition

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

## 2.14 Employee Benefits

### (a) Short-term obligations

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

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

#### (i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution

Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

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

#### (ii) Defined benefit plans

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

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

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

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

#### (c) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based



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payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

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

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

## 2.15 Contributed equity

Equity shares are classified as equity share capital.

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

## 2.16 Earnings Per Share

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

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

## 2.17 Rounding off amounts

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

## 3. Significant accounting judgments, estimates and assumptions

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

### 3.1 Judgements

#### (a) Determination of Lease term as lessee :

The Group determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non cancellable period of lease.

#### (b) Determination of useful life of lease hold improvement :

In the case of lease hold building improvements, the depreciation is charged based on useful life of the improvements which is 12 years or lease period including expected renewal period which ever is lower. Judgement is exercised by the Group in determination of the expected renewal period after considering all relevant facts and circumstances that create an economic incentive on the Group to renew.

### 3.2 Estimates and assumptions

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

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

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. For details refer note 2.2 and 5.

- (b) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 39.

- (c) Allowance for expected credit loss

Refer note 2(iii) for the estimate used in arriving expected credit loss allowance.

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

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

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 39.

- (e) Impairment of non-financial assets

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

## 4. Standards that became effective during the year

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material effect.

## Notes Forming Part of Consolidated Financial Statements

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### 5 Property, plant and equipment

For the year ended March 31, 2024

Particulars	Gross block				Accumulated Depreciation			Net block	
	As at April 01, 2023	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2024	For the Period	Disposal/ Adjustments	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024
<b>Owned assets</b>									
Plant and Machinery	4,442.63	1,337.00	20.12	5,759.51	393.42	10.78	1,407.45	4,352.06	
Furniture and Fixtures	6.76	109.78	13.14	103.40	59.47	13.14	50.58	52.82	
Office Equipment	93.34	36.04	0.16	129.22	15.08	0.08	50.93	78.29	
Vehicles	28.05	0.01	-	28.06	2.36	-	13.01	15.05	
Leasehold Improvement	1,221.67	539.85	15.24	1,746.28	144.55	15.24	427.00	1,319.28	
Data Processing Equipment	191.36	44.72	-	236.08	38.97	-	150.64	85.44	
<b>Leased assets</b>									
Right of Use Asset-Plant & Machinery	0.80	-	-	0.80	-	-	0.80	-	
Right of Use Asset-Building	38.75	399.42	13.96	424.21	70.96	0.74	76.29	347.92	
*Plant and Machinery	185.79	63.60	-	249.39	14.22	-	53.04	196.35	
<b>Total</b>	<b>6,209.15</b>	<b>2,530.42</b>	<b>62.62</b>	<b>8,676.95</b>	<b>793.03</b>	<b>39.98</b>	<b>2,229.74</b>	<b>6,447.21</b>	

\* Plant and Machinery classified under Leased assets are taken on Finance Lease

#### 5.1 Impact of Change in accounting estimate -

During the year ended March 31, 2024, the Holding Company has reassessed the useful life of certain assets forming part of Plant & Machinery and leasehold improvement based on the technical evaluation carried out by the company. As per the accounting policy of the company, leasehold improvement is amortised over the useful life or lease period including the expected renewal whichever is lower. During the year, useful life of Leasehold improvement has been reassessed from 10 years to 12 years and certain assets of plant & machinery from 13 years to 5/10 years. Further, based on technical evaluation carried out by the Holding Company, residual value is reassessed for all the assets from 0% to 5%/10%/20%, except intangibles. Due to this change in accounting estimate, depreciation expenses is lower and profit before taxes is higher by ₹39.67 million for the year ended March 31, 2024. These changes in accounting estimate will also result in lower depreciation expenses and higher profit before tax for future years amounting to ₹452.05 million. For material accounting policy refer 2.2.

5.2 Plant and Machinery classified under Leased assets are taken on Finance Lease.

5.3 For asset given as security refer note 20(a).



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For the year ended March 31, 2023:

Particulars	Gross block			Accumulated Depreciation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2023	For the Period	Disposal/ Adjustments	As at March 31, 2023	As at March 31, 2023
<b>Owned assets</b>								
Plant and Machinery	3,672.79	868.07	98.23	4,442.63	351.32	32.34	1,024.81	3,417.82
Furniture and Fixtures	6.76	-	-	6.76	0.99	-	4.25	2.51
Office Equipment	58.56	35.03	0.25	93.34	14.64	0.00	35.93	57.41
Vehicles	28.05	-	-	28.05	3.54	-	10.65	17.40
Leasehold Improvement	770.06	451.61	-	1,221.67	104.73	-	297.69	923.98
Data Processing Equipment	133.23	60.96	2.83	191.36	38.16	2.51	111.67	79.69
<b>Leased assets</b>								
Right of Use Asset-Plant & Machinery	0.80	-	-	0.80	-	-	0.80	-
Right of Use Asset-Building	11.35	27.41	-	38.75	4.61	-	6.07	32.69
*Plant and Machinery	185.79	-	-	185.79	13.95	-	38.82	146.97
<b>Total</b>	<b>4,867.39</b>	<b>1,443.08</b>	<b>101.31</b>	<b>6,209.15</b>	<b>531.94</b>	<b>34.85</b>	<b>1,530.69</b>	<b>4,678.47</b>

\* Plant and Machinery classified under Leased assets are taken on Finance Lease

## 6 Intangible assets

Particulars	Gross block			Accumulated Amortisation			Net block	
	As at April 01, 2023	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2024	For the year For the year	Disposal/ Adjustments	As at March 31, 2024	As at March 31, 2024
Computer Software	57.00	2.50	-	59.50	6.44	-	35.16	24.34
<b>Total</b>	<b>57.00</b>	<b>2.50</b>	<b>-</b>	<b>59.50</b>	<b>6.44</b>	<b>-</b>	<b>35.16</b>	<b>24.34</b>

Particulars	Gross block			Accumulated Amortisation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Disposal/ Adjustments	As at March 31, 2023	For the year For the year	Disposal/ Adjustments	As at March 31, 2023	As at March 31, 2023
Computer Software	46.14	12.36	1.50	57.00	5.88	0.15	28.72	28.28
<b>Total</b>	<b>46.14</b>	<b>12.36</b>	<b>1.50</b>	<b>57.00</b>	<b>5.88</b>	<b>0.15</b>	<b>28.72</b>	<b>28.28</b>

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## 7 Capital Work in Progress

### a) Movement in capital work in progress

Particulars	Amount
<b>As at April 01, 2022</b>	<b>282.57</b>
Add: Additions during the year	956.70
Less: Capitalised during the year	(984.47)
<b>As at March 31, 2023</b>	<b>254.80</b>
<b>As at April 01, 2023</b>	<b>254.80</b>
Add: Additions during the year	1,124.89
Less: Capitalised during the year	(1,281.24)
<b>As at March 31, 2024</b>	<b>98.45</b>

### b) Ageing schedule of Capital-work-in progress

As on March 31, 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	93.79	-	-	4.66	98.45
Projects temporarily suspended	-	-	-	-	-

As on March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	235.36	14.78	-	4.66	254.80
Projects temporarily suspended	-	-	-	-	-

### c) In case of the following projects (CWIP), completion is overdue or has exceeded its cost compared to its original plan:

As on March 31, 2024:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	-	-	4.66	-
Projects where activity has been suspended:	Not applicable	Not applicable	Not applicable	Not applicable

\* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

As on March 31, 2023:

Particulars	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress:				
i. Work in Progress (Karnataka) *	-	4.66	-	-
Projects where activity has been suspended:	Not applicable	Not applicable	Not applicable	

\* For few centers in Karnataka, Project has exceeded its original plan of completion due to delay in allotting space at center by tender authorities

# Notes Forming Part of Consolidated Financial Statements

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## 8 Financial Assets- Investments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non Current</b>		
<b>Unquoted investments at cost</b>		
<b>Investment in equity instruments (fully paid-up):</b>		
29,000 Equity shares of ₹100 each fully paid-up in Janata Sahakari Bank Limited, Pune	2.90	2.90
<b>Total (Equity Instruments)</b>	<b>2.90</b>	<b>2.90</b>
<b>Investments in Mutual Funds at fair value through profit and loss (fully paid)</b>		
Investment in Kotak Liquid Fund Regular Plan Growth	0.01	0.01
<b>Total investment in mutual funds</b>	<b>0.01</b>	<b>0.01</b>
<b>Total</b>	<b>2.91</b>	<b>2.91</b>
<b>Aggregate book value of:</b>		
Quoted investments	0.01	0.01
Unquoted investments	2.90	2.90
Aggregate amount of impairment in value of Investments	-	-
<b>Aggregate Market value of Quoted Investment:</b>	<b>0.01</b>	<b>0.01</b>

## 9 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured loan at amortised cost</b>		
Credit Impaired		
Loans to related party	31.01	31.01
Less: Provision for doubtful advances	(31.01)	(31.01)
	-	-

The company has not granted any Loan / Advance in the nature of loans to Promoters, Directors and KMP's, either severally or jointly with any other person.

## 10 Other Non Current financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Security deposits at amortised cost</b>		
Considered Good		
Security Deposits	164.57	154.55
Cash balance with tax authorities*	3.30	3.30
In deposit accounts with remaining maturity for more than 12 months	148.57	1,553.31
Interest accrued on fixed deposits.	10.20	28.46
	<b>326.64</b>	<b>1,739.62</b>

\* Amount represents cash in hand which was seized by tax authorities in search conducted at the premise of the company in July 2022.

Refer Note 44 for financial asset measured at amortised cost.

## 11 Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Capital advance	363.62	93.80
Prepaid expenses	135.49	45.74
Advance tax and tax deducted at source [Net of provision for income tax ]	92.30	12.27
<b>Total other non-current other assets</b>	<b>591.41</b>	<b>151.81</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 12 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Valued at cost</b>		
Consumables (includes reagents, chemicals, diagnostics kits, medicines and consumables, etc.)	358.07	250.74
	<b>358.07</b>	<b>250.74</b>

## 13 Trade receivable

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
- Considered good	1,762.92	730.97
Receivables which have significant increase in Credit Risk	5.44	-
Less : Allowance for bad and doubtful debts	(5.44)	-
Credit impaired	49.06	51.10
Less-Allowance for bad and doubtful debts	(49.06)	(51.10)
	<b>1,762.92</b>	<b>730.97</b>
Further classified as:		
Receivable from related parties	-	-
Receivable from others	1,762.92	730.97
	<b>1,762.92</b>	<b>730.97</b>

All amounts are considered as short-term since they are expected to be recoverable in normal operating cycle. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

### Movement in allowances for bad and doubtful debts:

Particulars	FY2023-24	FY2022-23
Balance at beginning of the year	51.10	58.30
(+) Additional provision made during the year	3.40	-
(-) Provision utilized during the year	-	-
(-) Excess provision reversed during the year	-	(7.20)
<b>Balance at end of the year</b>	<b>54.50</b>	<b>51.10</b>

### Trade receivable ageing schedule as on March 31, 2024:

Particulars	Not Due*	Outstanding for the following period from Invoice date					Total
		Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables – considered good	-	1,567.43	183.72	11.77	-	-	1,762.92
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	5.44	-	-	5.44
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	49.06	49.06
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	(5.44)	-	(49.06)	(54.50)
<b>Total</b>	-	<b>1,567.43</b>	<b>183.72</b>	<b>11.77</b>	-	-	<b>1,762.92</b>

\* Ageing of trade receivable is calculated from the date of invoice

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 13 Trade receivable (Contd..)

Trade receivable ageing schedule as on March 31, 2023:

Particulars	Not Due*	Outstanding for the following period from Invoice date					Total
		Less Than 6 Month	6 Months to 1 year	1 to 2 year	2 to 3 year	More than 3 year	
(i) Undisputed Trade receivables – considered good	-	713.01	17.96	-	-	-	730.97
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.04	-	-	49.06	51.10
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(2.04)	-	-	(49.06)	(51.10)
<b>Total</b>	-	<b>713.01</b>	<b>17.96</b>	-	-	-	<b>730.97</b>

\* Ageing of trade receivable is calculated from the date of invoice

## 14 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
In current accounts	10.42	211.31
Debit balance in Cash Credit and Bank Overdraft account	-	5.30
Cash on hand	13.33	10.59
	<b>23.75</b>	<b>227.20</b>

## 15 Bank balances other than Cash and cash equivalent

Particulars	As at March 31, 2024	As at March 31, 2023
Deposit with maturity for more than 3 months but less than 12 months	511.70	860.76
	<b>511.70</b>	<b>860.76</b>

## 16 Other Current financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
In deposits with remaining maturity less than 12 months	1,216.41	-
Interest accrued on fixed deposits	115.63	48.86
Other receivables	74.37	18.66
Security deposits	24.34	21.97
	<b>1,430.75</b>	<b>89.49</b>

Refer Note 44 for financial asset measured at cost

## 17 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	46.12	33.42
Advance to Suppliers	77.44	34.87
GST credit receivable	0.04	0.04
Advance to Employees	0.99	1.58
Other Advances	0.08	0.08
<b>Total</b>	<b>124.67</b>	<b>69.99</b>



# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 18 Share capital

### (A) Equity shares

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorized</b>		
29,43,15,384 Equity Shares of ₹5 each (March 31, 2023: 29,43,15,384 Equity Shares of ₹5 each)	1,471.58	1,471.58
	<b>1,471.58</b>	<b>1,471.58</b>
<b>Issued, subscribed and paid up</b>		
3,22,89,763 Equity Shares of ₹5 each (March 31, 2023- 3,13,97,613 Equity Shares of ₹5 each)	161.45	156.99
<b>Total</b>	<b>161.45</b>	<b>156.99</b>

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

Particulars	Number of shares	Amount
<b>Outstanding as on April 01, 2022</b>	<b>31,397,613</b>	<b>156.99</b>
Changes During the period	-	-
<b>Outstanding as on March 31, 2023</b>	<b>31,397,613</b>	<b>156.99</b>
<b>Outstanding as on April 01, 2023</b>	<b>31,397,613</b>	<b>156.99</b>
Add: Issued for ESOPs	892,150	4.46
<b>Outstanding as on March 31, 2024</b>	<b>32,289,763</b>	<b>161.45</b>

#### (ii) Rights and restrictions attached to shares

The company has equity shares having par value of ₹5 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
<b>Equity shares</b>				
Rajendra Mutha	8,029,920	24.87%	8,029,920	25.57%
Phi Capital Trust- Phi Capital Growth Fund – I	4,984,967	15.44%	4,984,967	15.88%
Tata Mutual Fund- Tata Small Cap Fund	2,389,000	7.40%	1,653,026	5.26%
ICICI Prudential Pharma Healthcare and Diagnostic	8,80,174	2.73%	1,602,801	5.10%

#### (iv) Details of Shares held by Promoters at the end of the year

Sr. No.	Promoter Name	FY 2023-24			
		No. of shares as at April 01, 2023	Change during the year	No. of shares as at March 31, 2024	% of total shares
1	Rajendra Mutha	8,029,920	-	8,029,920	24.87%
2	Krsnaa Diagnostics (Mumbai) Private Limited	697,756	-	697,756	2.16%

Sr. No.	Promoter Name	FY 2022-23			
		No. of shares as at April 01, 2022	Change during the year	No. of shares as at March 31, 2023	% of total shares
1	Rajendra Mutha	8,029,920	-	8,029,920	25.57%
2	Krsnaa Diagnostics (Mumbai) Private Limited	567,756	130,000	697,756	2.22%

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 18 Share capital (Contd..)

- (v) Company during FY 2023-24 has issued share under ESOPS scheme. For details, please refer note 39. No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period end (i.e. March 31, 2024)
- (vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year.
- (vii) For details of shares reserved for issue under the Share based payment plan of the company, please refer note 39

## 19 Other equity

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

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	26.63	20.38
Add: Share based payment expense	9.01	6.73
Less: Utilisation of reserves towards exercise of ESOPs	(11.69)	-
Less: Transferred to general reserve on forfeiture/lapse of stock options	-	(0.48)
<b>Closing balance</b>	<b>23.95</b>	<b>26.63</b>

\*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer note 39)

The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 39 for details of these plans.

### (B) Securities premium \*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	6,379.95	6,390.93
Add : Securities premium credited on share issue	239.16	-
Less: Securities premium utilised to write off the share issue expenses	-	-
Add: Deferred Tax Asset on share issue expenses	(10.98)	(10.98)
<b>Closing balance</b>	<b>6,608.13</b>	<b>6,379.95</b>

\* Securities premium is used to record the premium on issue of shares. Security premium record premium on issue of shares will be utilized in accordance with the Act.

### (C) Surplus in the Statement of Profit and Loss\*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	814.98	271.88
Add: Profit for the year	568.37	621.11
Add: Transfer from ESOOA (on account of stock option being lapsed after vesting)	-	0.48
Less: Dividend paid to equity shareholders	(86.34)	(78.49)
<b>Closing balance</b>	<b>1,297.01</b>	<b>814.98</b>

\*Surplus in the Statement of Profit and Loss is the cumulative profits/(loss) that the Company has earned/incurred till date after appropriations/transfer to other reserves, if any.

### (D) Other reserves\*

Particulars	As at March 31, 2024	As at March 31, 2023
- As at beginning of year	8.81	3.91
- Re-measurement gains on defined benefit plans (net of tax)	(1.33)	4.90
<b>Closing balance</b>	<b>7.48</b>	<b>8.81</b>

\*Other reserves represents other comprehensive income relating to re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

<b>Total other equity</b>	<b>7,936.57</b>	<b>7,230.37</b>
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# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 20 Borrowings

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Secured</b>		
Term loan		
From Bank	110.00	165.00
<b>Less: Current Maturities of borrowings</b>	55.00	55.00
<b>Total non current maturities of borrowings</b>	<b>55.00</b>	<b>110.00</b>

### Terms of repayment and security offered:

#### Term Loan from Banks:

- a) During the year 2020-21, the company has taken a loan of ₹220 million from Indusind Bank for working capital term loan at a floating interest rate of MCLR + 1% per annum to be repaid in 5 years from starting from the month of April 2022. Security Given:
1. Exclusive charge on specific movable fixed assets funded out of loan
  2. Exclusive charge on all current assets of borrower, both present & future
- b) During the year 2020-21, the company has taken a loan of ₹42 million from Axis Bank for purchase of MRI machine at a floating interest rate of Repo Rate + 4.50% per annum to be repaid in 7 years from the month of January 2021. The loan has been foreclosed out of IPO funds in October 2022.

Security given: Loan was secured by way of the hypothecation of the MRI Machine funded out of loan.

## 21 Lease Liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Lease Liabilities-	530.66	159.81
Less: Current Maturities of Lease Liabilities	166.86	26.97
<b>Total non current maturities of lease obligations</b>	<b>363.81</b>	<b>132.84</b>

For details of assets taken on leases & terms of repayment of lease liabilities- refer note 40.

## 22 Other financial liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Security deposit received	-	18.13
Payable for capital purchases	205.59	318.68
<b>Total other financial liabilities</b>	<b>205.59</b>	<b>336.81</b>

## 23 Employee benefit obligations

Particulars	Long Term	
	As at	As at
	March 31, 2024	March 31, 2023
Provision for employee benefits		
Provision for gratuity (funded in holding & unfunded in few subsidiaries)	1.25	2.21
Provision for compensated absences (unfunded)	16.50	10.05
<b>Total Provisions</b>	<b>17.75</b>	<b>12.26</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 23 Employee benefit obligations (Contd..)

Particulars	Short Term	
	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for gratuity (funded in holding & unfunded in few subsidiaries) (Refer note 38)	33.01	16.60
Provision for compensated absences (unfunded)	9.25	4.91
<b>Total Provisions</b>	<b>42.26</b>	<b>21.51</b>

## 24 Other non-current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred income	-	0.07
<b>Total other non-current liabilities</b>	<b>-</b>	<b>0.07</b>

## 25 Short-term borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Cash credit loan from banks	957.21	-
Current Maturities of long term borrowings	55.00	55.00
<b>Total short-term borrowings</b>	<b>1,012.21</b>	<b>55.00</b>

\*All short borrowings have first pari-passu charge upon all current assets, present and future of the borrower.

## 26 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	9.15	6.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	814.04	614.43
<b>Total trade payables</b>	<b>823.19</b>	<b>621.25</b>

Trade Payable ageing Schedule as on March 31, 2024:

Particulars	Particulars Outstanding for following periods from due date of Payment					Total
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	
Micro, Small & Medium Enterprises	-	9.15	-	-	-	9.15
Others	-	629.90	184.14	-	-	814.04
Disputed- Micro, Small & Medium Enterprises	-	-	-	-	-	-
Disputed- Other	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>639.05</b>	<b>184.14</b>	<b>0.38</b>	<b>-</b>	<b>823.19</b>

Trade Payable ageing Schedule as on March 31, 2023:

Particulars	Particulars Outstanding for following periods from due date of Payment					Total
	Unbilled	1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	6.82	-	-	-	6.82
Others	145.51	446.55	21.98	0.39	-	614.43
Disputed- MSME	-	-	-	-	-	-
Disputed- Other	-	-	-	-	-	-
<b>Total</b>	<b>145.51</b>	<b>453.37</b>	<b>21.98</b>	<b>0.39</b>	<b>-</b>	<b>621.25</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 26 Trade payables (Contd..)

Disclosure relating to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Amount remaining unpaid to any supplier at the end of each reporting period:		
Principal	9.15	6.82
Interest	0.07	0.34
<b>Total</b>	<b>9.22</b>	<b>7.16</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.07	0.34
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

## 27 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other financial liabilities at amortised cost</b>		
Interest accrued but not due on loan	1.25	0.67
Security deposits received	19.90	0.07
Payable for capital purchases	527.51	134.38
Employee Benefits Expenses Payable	126.42	103.62
Employee reimbursement payable	3.06	2.90
Payable for Initial Public Offer related expenses	-	2.68
Unclaimed dividend	0.05	-
<b>Total other financial liabilities</b>	<b>678.19</b>	<b>244.32</b>

## 28 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory due payable	90.83	20.50
Advance from Customers	1.06	1.20
Deferred income	0.06	1.19
<b>Total other current liabilities</b>	<b>91.95</b>	<b>22.89</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 29 Revenue from operations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from services	6,196.33	4,871.23
<b>Total revenue from operations</b>	<b>6,196.33</b>	<b>4,871.23</b>
<b>Reconciliation of Revenue from Contract with Customers</b>		
Revenue from Contract with Customers	6,250.85	4,893.93
Less:		
Discount / Rebates Allowed	(54.52)	(22.70)
<b>Revenue from Services</b>	<b>6,196.33</b>	<b>4,871.23</b>

### Performance Obligation

Revenue from services : The performance obligation in respect of services is satisfied at point of time.

## 30 Other income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest income		
on fixed deposits	152.27	154.73
on other deposits	0.05	0.05
on income tax refund	0.01	4.39
on other financial assets at amortised cost	15.27	22.07
Gain on sale/disposal of fixed assets	0.02	1.76
Provisions for doubtful debt written back	-	7.20
Miscellaneous income	0.34	3.59
<b>Total other income</b>	<b>167.96</b>	<b>193.79</b>

## 31 Cost of material consumed

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Inventory at the beginning of the year	250.74	91.70
Add: Purchases	1,517.73	900.83
Less: Inventory at the end of the year	(358.07)	(250.74)
<b>Cost of material consumed</b>	<b>1,410.40</b>	<b>741.79</b>

## 32 Employee benefits expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries, wages, bonus and other allowances	966.31	634.79
Contribution to provident and other funds	85.99	59.09
Gratuity expenses (Refer note 38)	14.65	16.38
Share based payment to employees (Refer note 39)	9.01	6.73
Staff welfare expenses	38.69	28.64
<b>Total employee benefits expense</b>	<b>1,114.65</b>	<b>745.64</b>

## 33 Finance costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest on borrowing-		
On bank loan	63.99	40.24
On Lease liabilities	38.52	16.17
On Other financial liabilities at amortised cost	38.36	7.94
Bank Charges	24.01	12.62
<b>Total finance costs</b>	<b>164.88</b>	<b>76.97</b>



# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 34 Depreciation and amortization expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation on Property, Plant & Equipment (Refer note 5)	739.03	531.94
Amortization of intangible assets (Refer note 6)	6.44	5.88
<b>Total depreciation and amortization expense</b>	<b>745.47</b>	<b>537.82</b>

## 35 Other expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Power & Fuel	121.68	90.81
Rent	89.69	89.98
Repairs and maintenance- Machinery	102.91	157.75
Insurance	3.88	4.50
Rates and taxes	11.30	9.85
Logistics expenses	22.22	21.75
Travelling and lodging expenses	71.86	51.29
Auditors' remuneration (Refer note below)	4.05	3.69
Security and facility management expenses	157.54	126.56
Branding and Advertisement Expenses	29.36	31.91
Printing & Stationery	73.49	49.65
Communication expenses	39.79	25.31
Corporate social responsibility expenses (Refer Note 47)	14.34	10.25
Office expenses	46.51	32.36
Legal and professional charges	52.98	47.99
Sitting Fees to Directors	4.20	2.70
Provision for doubtful debt	3.40	-
Reporting Charges	584.70	519.75
Loss on sale/disposal of fixed assets	0.55	0.00
Information Technology Support & Service Charges	128.50	60.78
Miscellaneous expenses	11.19	11.83
<b>Total other expenses</b>	<b>1,574.14</b>	<b>1,348.72</b>

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Breakup of auditor's remuneration:</b>		
Statutory audit fees*	2.22	2.03
Limited review fees*	1.59	1.32
Out of Pocket Expenses	-	0.08
Certification Fees	0.24	0.26
<b>Total</b>	<b>4.05</b>	<b>3.69</b>

\* Auditor's remuneration is inclusive of Goods & Service Taxes.

## 36 Income Tax

### (A) Deferred tax relates to the following:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax assets</b>		
On Provision for employee benefits	14.80	9.18
On Deduction available u/s 80JJAA	24.42	18.82
On Lease liability	91.08	8.44
On Provision for doubtful debts and advances	13.72	12.86
On Share issue expenses adjusted to securities premium account	21.95	32.93
On ESOP expense reserve	-	6.70
On losses of subsidiaries	15.84	12.87
<b>Total Deferred tax assets</b>	<b>181.81</b>	<b>101.80</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 36 Income Tax (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax liabilities</b>		
On Difference between book depreciation and tax depreciation	311.08	195.86
On Deferred payment	18.73	19.71
<b>Total Deferred tax liabilities</b>	<b>329.81</b>	<b>215.57</b>
<b>Deferred tax (liability), net</b>	<b>(148.00)</b>	<b>(113.77)</b>

### (B) Reconciliation of deferred tax (liabilities), net:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance as of 1 <sup>st</sup> April	(113.76)	(70.07)
Tax liability recognized in Statement of Profit and Loss	(23.69)	(31.07)
Tax liability recognized in OCI	-	-
On re-measurements (losses) of post-employment benefit obligations	0.45	(1.65)
Tax liability recognized directly in equity	(11.00)	(10.98)
<b>Closing balance as at 31<sup>st</sup> March</b>	<b>(148.00)</b>	<b>(113.76)</b>

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

Particulars	As at March 31, 2024	As at March 31, 2023
On account of difference between book depreciation and tax depreciation	115.21	27.68
On account deferred vendor credit balance	(0.98)	19.71
On expenses allowed on payment basis:		
- Provision for employee benefits	(5.71)	(5.19)
- On Provision for doubtful debts and advances	(0.86)	1.82
On unabsorbed depreciation and carry forward business losses /charge on utilisation		
On deduction u/s 80JJAA	(5.60)	2.07
On Lease Liability	(82.64)	(8.44)
On ESOP expense reserve	6.70	(1.57)
On losses of subsidiaries	(2.73)	(5.00)
Other	0.30	-
	<b>23.69</b>	<b>31.07</b>

### (D) Income tax expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
- Income tax expense	114.42	149.31
- Adjustments in respect of current income tax of previous year	(6.41)	0.52
- Deferred tax charge	23.69	31.07
<b>Income tax expense reported in the statement of profit or loss</b>	<b>131.70</b>	<b>180.90</b>

### (E) Income tax expense/(income) charged to OCI

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Net loss on remeasurements of defined benefit plans	(0.45)	1.65
<b>Income tax charged to OCI</b>	<b>(0.45)</b>	<b>1.65</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 36 Income Tax (Contd..)

### (F) Reconciliation of tax charge

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit before tax	700.07	802.01
Income tax expense at tax rates applicable	176.19	201.85
Tax effects of:		
- Tax not payable due to loss in subsidiary companies	2.73	-
- Item not deductible for tax	20.63	7.52
- Directly accounted in equity	(10.98)	(10.98)
- Deduction u/s 80JJAA	(23.92)	(14.23)
- earlier year tax impact	(6.24)	0.52
- Others	(26.54)	(3.77)
<b>Income tax expense</b>	<b>131.70</b>	<b>180.90</b>

## 37 Earnings per share

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

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

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

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit attributable to equity holders	568.37	621.11
Less: adjustments for EPS	-	-
Profit attributable to equity holders adjusted for the effect of dilution	<b>568.37</b>	<b>621.11</b>
Weighted average number of equity shares for basic EPS	3,17,46,185	3,13,97,613
Effect of dilution:		
Share options	10,92,895	8,00,396
Weighted average number of equity shares adjusted for the effect of dilution	<b>3,28,39,081</b>	<b>3,21,98,009</b>
Basic profit per share (₹)	17.90	19.78
Diluted profit per share (₹)	17.31	19.29

The Company is having following potential equity shares :

Shares allotted to employees in pursuance of the Employee Stock Option Plan (ESOP).

## 38 Employee benefits

### (A) Defined Contribution Plans

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

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Employers' Contribution to Provident Fund (Refer note 32)	68.22	47.68
Employers' Contribution to Employee State Insurance (Refer note 32)	17.53	11.23
Employers' Contribution to Labour Welfare Fund (Refer note 32)	0.24	0.18
	<b>85.99</b>	<b>59.09</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 38 Employee benefits (Contd..)

### (B) Defined benefit plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary and dearness allowance per month computed proportionately for 15 days divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan.

Company maintains plan assets against with Life Insurance Corporations Limited to meet the obligation of Gratuity as per payment of Gratuity Act, 1972.

#### i) Actuarial assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate (per annum)	7.20%	7.30%
Rate of increase in Salary	6.00%	6.00%
Expected average remaining working lives of employees (years)	3.31	3.55
Attrition rate	30%	28%
Expected rate of return on plan assets	7.30%	6.40%

#### ii) Changes in the present value of defined benefit obligation

Particulars	Employees's gratuity plan	
	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the beginning of the year	29.49	20.74
Interest cost	2.09	1.29
Current service cost	13.78	15.13
Benefits paid	(1.73)	(1.25)
Actuarial (gain) on obligations	1.79	(6.42)
<b>Present value of obligation at the end of the year/period</b>	<b>45.42</b>	<b>29.49</b>

#### iii) Expense recognized in the Statement of Profit and Loss

Particulars	Employees's gratuity plan	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Current service cost	13.35	15.13
Interest cost	1.30	0.69
<b>Total expenses recognized in the Statement Profit and Loss*</b>	<b>14.65</b>	<b>15.82</b>

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

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Opening amount recognised in OCI outside profit and loss account	(11.82)	(5.27)
Remeasurement for the year- obligation (Gain)	1.79	(6.42)
Remeasurement for the year- plan asset (Gain)	(0.01)	(0.12)
Total Remeasurements (Credit) for the year recognised in OCI	1.78	(6.54)
<b>Closing amount recognised in OCI outside profit and loss account</b>	<b>(10.03)</b>	<b>(11.82)</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 38 Employee benefits (Contd..)

### v) Changes in the Fair Value of Plan Assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Present value of obligation at the end of the year	10.67	8.65
Acquisition adjustments	0.44	-
Interest Income	0.79	0.60
Contributions	1.01	4.00
Mortality Charges and Taxes	(0.03)	(0.20)
Benefits paid	(1.73)	(2.50)
Return on plan assets, excluding amount recognized in Interest Income- Gain	0.01	0.12
<b>Fair value of plan assets at the end of the period</b>	<b>11.16</b>	<b>10.67</b>

### vi) Assets and liabilities recognized in the Balance Sheet:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Present value of unfunded obligation as at the end of the year	(45.42)	(29.49)
Fair value of the plan assets at the end of period	11.16	10.67
(Deficit)	(34.26)	(18.82)
Current liability	33.01	18.82
Non-current liability	1.25	-
<b>Unfunded net (liability) recognized in Balance Sheet*</b>	<b>(34.26)</b>	<b>(18.82)</b>

\*Included in provision for employee benefits (Refer note 24)

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

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Net asset / (liability) recognised at the beginning of the period	(18.82)	(12.09)
Company contributions	1.01	4.00
Amount recognised outside	(1.78)	6.54
Expense recognised at the end of period	(14.65)	(15.82)
Mortality Charges and Taxes	(0.02)	(0.20)
Gratuity Benefits Received from Fund against payment made by company last year	-	(1.23)
<b>Net asset / (liability) recognised at the end of the period</b>	<b>(34.26)</b>	<b>(18.82)</b>

### viii) Expected contribution to the fund in the next year

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Gratuity	2.50	4.00

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

Particulars	Employee's gratuity	
	As at	As at
	March 31, 2024	March 31, 2023
Impact on defined benefit obligation		
Discount rate		
1.00% increase	(35.49)	(28.46)
1.00% decrease	46.99	30.58
Rate of increase in salary		
1.00% increase	46.53	30.28
1.00% decrease	(35.83)	(28.73)
Impact of change in withdrawal rate		
1.00% increase	45.22	(29.37)
1.00% decrease	45.62	29.59

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 38 Employee benefits (Contd..)

### x) Maturity profile of defined benefit obligation

Particulars	Employee's gratuity	
	As at March 31, 2024	As at March 31, 2023
Year		
Apr 2023- Mar 2024	-	5.11
Apr 2024- Mar 2025	6.78	4.36
Apr 2025- Mar 2026	5.58	3.94
Apr 2026- Mar 2027	7.92	5.99
Apr 2027- Mar 2028	8.89	7.54
Apr 2028- Mar 2029	11.50	-
Apr 2029- Mar 2034	55.04	-
Apr 2028- Mar 2033	-	43.39

## 39 Employee Stock Option Scheme 2020 (ESOP)

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

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

Particulars	Number	
	As at March 31, 2024	As at March 31, 2023
Options outstanding at beginning of year:		
Tranche 1 (Exercise Price: 225)	13,93,900	14,27,906
Tranche 2 (Exercise Price: 350)	4,21,000	4,94,108
Tranche 3 (Exercise Price: 561)	-	NA
<b>Add:</b>		
Options granted during the year:		
Tranche 1 (Exercise Price: 225)	-	-
Tranche 2 (Exercise Price: 350)	-	-
Tranche 3 (Exercise Price: 561)	2,31,766	NA
<b>Less:</b>		
Options exercised during the year:		
Tranche 1 (Exercise Price: 225)	6,42,670	-
Tranche 2 (Exercise Price: 350)	2,49,480	-
Tranche 3 (Exercise Price: 561)	-	NA
Options forfeited during the year:		
Tranche 1 (Exercise Price: 225)	-	34,006
Tranche 2 (Exercise Price: 350)	-	73,108
Tranche 3 (Exercise Price: 561)	-	NA
Options outstanding at the end of year:		
Tranche 1 (Exercise Price: 225)	7,51,230	13,93,900
Tranche 2 (Exercise Price: 350)	1,71,520	4,21,000
Tranche 3 (Exercise Price: 561)	2,31,766	NA
Option exercisable at the end of year:		
Tranche 1 (Exercise Price: 225)	4,02,755	6,96,950
Tranche 2 (Exercise Price: 350)	1,71,520	2,10,500
Tranche 3 (Exercise Price: 561)	-	-

In accordance with the above mentioned ESOP Scheme, ₹9.01 million (FY2023-24) & ₹6.73 million (FY2022-23) has been charged to the Statement of Profit and Loss in respective periods in relation to the Employee Stock Option Scheme Compensation. (Refer note 32)



# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 39 Employee Stock Option Scheme 2020 (ESOP) (Contd..)

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

Vesting year- Tranche 1	1	2	3	4
Weighted average fair value of the options at the grant dates (₹)	15.28	22.48	31.20	41.71
Compounded Risk-Free Interest Rate (%)	3.73%	4.21%	4.81%	5.10%
Number of periods to Exercise in years	1.25	2.25	3.25	4.25
Expected volatility (%)	27.39%	22.06%	19.25%	17.91%
Weighted average share price (₹)	341.35	341.35	341.35	341.35

Vesting year- Tranche 2	1	2	3	4
Weighted average fair value of the options at the grant dates (₹)	36.16	53.12	71.17	91.20
Compounded Risk-Free Interest Rate (%)	3.93%	4.41%	4.91%	5.32%
Number of periods to Exercise in years	1.25	2.25	3.25	4.25
Expected volatility (%)	26.89%	22.33%	19.80%	18.18%
Weighted average share price (₹)	572.35	572.35	572.35	572.35

Above fair value calculations are for options before split of share from face value ₹10 to ₹5 while the number of options reported above are after split.

Vesting year- Tranche 3	1	2	3	4
Weighted average fair value of the options at the grant dates (₹)	320.57	361.00	386.14	408.73
Compounded Risk-Free Interest Rate (%)	6.75%	6.78%	6.79%	6.80%
Number of periods to Exercise in years	3.50	4.50	5.50	6.50
Expected volatility (%)	38.52%	40.51%	39.20%	38.16%
Weighted average share price (₹)	692.20	692.20	692.20	692.20

## 40 Leases where company is a lessee

Leases in relation to plant & machinery comprise of CT & MRI machinies taken on finance lease model from Philips india Limited- details are as follows.

- 32 Slice CT Machine for opertaions at KDMC Center taken on lease in October 2020- to be paid over 84 Installments.
- 3T MRI Machine at DY Patil Kolhapur Center taken on lease in October 2019- to be paid over 84 Installments.
- 1.5T MRI Machine at Sutar Hospital taken on lease in December 2020- to be paid over 84 Installments
- 1.5T MRI Machine at Udupi Center taken on lease in October 2020- to be paid over 84 Installments.
- 1.5T MRI Machine at Chandigarh Center taken on lease in January 2024- to be paid over 66 Installments.

Leases in relation to Land & Building comprises of Stores & Office taken on lease for buisness purpose- The agreement ranges from 60 months to 120 months. Since these are long term lease- they are capitlized pursuant to IND AS 116.

### i) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset		
	Land & Building	Plant & Machinery	Total
<b>Balance as at April 01, 2022</b>	<b>9.89</b>	<b>160.92</b>	<b>170.82</b>
Additions	27.41	-	27.41
Deletions	-	0.00	0.00
Depreciation	4.61	13.95	18.56
<b>Balance as at March 31, 2023</b>	<b>32.69</b>	<b>146.97</b>	<b>179.67</b>
Additions	399.42	63.60	463.02
Deletion	13.22	-	13.22
Depreciation	70.96	14.22	85.18
<b>Balance as at March 31, 2024</b>	<b>347.93</b>	<b>196.35</b>	<b>544.30</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 40 Leases where company is a lessee (Contd..)

### ii) Changes in lease liabilities

Particulars	Category of Lease Liability		
	Land & Building	Plant & Machinery	Total
<b>Balance as at April 01, 2022</b>	<b>10.23</b>	<b>143.39</b>	<b>153.62</b>
Additions	30.00	15.92	45.92
Lease Payments	6.16	33.57	39.73
<b>Balance as at March 31, 2023</b>	<b>34.07</b>	<b>125.74</b>	<b>159.81</b>
Additions	399.42	63.60	463.02
Deletion	13.32	0.00	13.32
Lease Payments	58.28	20.56	78.84
<b>Balance as at March 31, 2024</b>	<b>361.88</b>	<b>168.78</b>	<b>530.66</b>

### iii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2024	March 31, 2023
Current Lease Liabilities	166.86	26.97
Non-current Lease Liabilities	363.81	132.84

### iv) Maturity analysis of lease liabilities

Particulars	March 31, 2024	March 31, 2023
Less than one year	124.92	26.97
One to five years	354.69	123.25
More than five years	51.06	9.59
<b>Total</b>	<b>530.66</b>	<b>159.81</b>

### v) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2024	March 31, 2023
Interest on Lease Liabilities	38.52	17.89
Depreciation on ROU Assets	85.18	18.55

### vi) Changes in liabilities arising from financing activities, including both changes arising from cash and non-cash changes:

Particulars	March 31, 2024	March 31, 2023
<b>Opening lease liabilities</b>	<b>159.81</b>	<b>153.62</b>
<b>Non Cash flow movement</b>		
- Additions to ROU	463.02	27.41
- Deletions to ROU	(13.32)	-
- Unwinding cost on lease liability	38.52	17.89
<b>Cash flow movement</b>		
- Payment of Principal amount of lease liability	(81.90)	(21.11)
- Lease payment deferred	3.06	-
- Payment of interest on lease liability	(38.52)	(18.00)
<b>Closing Lease liabilities</b>	<b>530.66</b>	<b>159.81</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 41 Related Party Disclosures:

In accordance with the requirements of Ind AS- 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during reported periods are:

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

#### Entity under common control

Krsna International Limited-Yemen

#### Key Management Personnel (KMP)

Mr. Rajendra Mutha- Chairman & Wholetime Director

Mr. Yash Mutha- Joint Managing Director (from February 12, 2024) & Manager (from April 01, 2024) & Director in subsidiaries (from February 28, 2024)

Ms. Pallavi Bhatevara- Executive Director (Managing director upto March 31, 2024)

Mr. Prashant Deshmukh- Chief Executive Officer (from February 12, 2024) & Director in subsidiaries (from October 20, 2024)

Mr. Pawan Daga- Chief Financial Officer

Mr. Nikhil Deshpande- Company Secretary (from October 12, 2021 to April 24, 2023)

Mr. Sujoy Bose- Company Secretary (from August 01, 2023)

Ms. Sunita Mutha- Relative of KMP

Mr. Prakash Iyer- Independent Director (from April 25, 2021 to May 28, 2022)

Mr. Chetan Desai- Independent Director

Ms. Chhaya Palrecha- Independent Director

Mr. Prem Pradeep- Independent Director

Mr. Rajiv Verma- Independent Director

Mr. Adesh Kumar Gupta- Independent Director (from May 28, 2022)

Mr. Ram Singh- Director in subsidiaries (from incorporation till February 28, 2024)

Mr. Chetan Karnawat- Director in subsidiaries

#### Entity in which KMP exercise significant influence

Krsna Diagnostics (Mumbai) Private Limited

### (B) Details of transactions with related party for the year ended:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>(i) Key Management Personnel (KMP)</b>		
<b>Compensation of key management personnel</b>		
Ms. Pallavi Bhatevara	3.62	4.10
Mr. Rajendra Mutha	26.40	26.40
Mr. Prashanth Deshmukh	1.35	0.00
Mr. Yash Mutha	4.80	4.80
Mr. Pawan Daga	3.00	3.01
Mr. Nikhil Deshpande	0.28	1.68
Mr. Sujoy Bose	1.33	-
<b>Sitting fees paid to directors</b>		
Mr. Prakash Iyer	-	0.15
Mr. Chetan Desai	1.00	0.65
Ms. Chhaya Palrecha	1.05	0.70
Mr. Rajiv Verma	1.05	0.65
Mr. Adesh Kumar Gupta	1.10	0.55
<b>(ii) Expenses Incurred:</b>		
Ms. Sunita Mutha- Rent Expenses	39.77	36.82

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 41 Related Party Disclosures: (Contd..)

### (C) Outstanding Balances

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i) Entity under common control</b>		
Krsna International Limited-Yemen-Receiveable	31.01	31.01
Less: Provision	(31.01)	(31.01)
	-	-
<b>ii) Key Management Personnel (KMP)</b>		
(b) Compensation payable to KMPs		
Mr. Yash Mutha	0.19	0.21
Mr. Pawan Daga	0.14	0.18
Ms. Pallavi Bhatevara	0.05	0.22
Mr. Nikhil Deshpande	-	0.11
Mr. Rajendra Mutha	16.21	32.26
Mr. Sujoy Bose	0.14	NA
Mr. Prashant Deshmukh	0.63	NA
(b) Other Payables		
Sunita Mutha	4.67	4.49

#### Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024 & March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

- D) Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	Loans/ Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	March 31, 2024		March 31, 2023	
				Amount outstanding as at the balance sheet date	% of Total	Amount outstanding as at the balance sheet date	% of Total
Promoter							
Directors							
KMPs							
Related Parties:							
i. Subsidiaries	Individually	Yes	No	-	-	-	-
ii. Krsna International Limited-Yemen (Entity under common control)	Individually	Yes	No	31.01	100%	31.01	100%
Less: Credit imparied and fully Provide for				(31.01)	-100%	(31.01)	-100%
<b>Total of Loan and Advances in the nature of Loan(Refer Note 9 &amp; 16)</b>				-	-	-	-

The remuneration to key managerial personnel does not include provision for gratuity and leave encashment as they are determined for the company as whole.

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 42 Segment reporting

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

## 43 Fair Value Measurement

### Financial Instruments by Category:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities that are not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	March 31, 2024		March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Asset</b>				
Assets carried at amortised cost:				
Investment:				
- in shares of Janata Sahakari Bank Limited, Pune	2.90	-	2.90	-
Security Deposit (Current + Non Current)	188.92	-	176.52	-
Fixed deposit accounts with maturity for more than 12 months	148.57	-	1,553.31	-
Fixed deposit with maturity less than 12 months	1,216.41	-	-	-
Trade receivables	1,762.92	-	730.97	-
Cash and cash equivalents	23.75	-	227.20	-
Bank balances other than cash and cash equivalent	511.70	-	860.76	-
Interest accrued on fixed deposits	125.82	-	77.32	-
Other receivables	77.67	-	21.96	-
Assets carried at fair value through P&L:				
Investment:				
- Mutual Funds	0.01	0.01	0.01	0.01
<b>Total Financial Asset</b>	<b>4,058.65</b>	<b>0.01</b>	<b>3,650.94</b>	<b>0.01</b>
<b>Financial Liabilities</b>				
Assets carried at amortised cost:				
Borrowings (including current maturities of long term borrowings and short term borrowings)	1,067.21	-	165.00	-
Security deposit received (Current + Non current)	19.90	-	18.20	-
Trade Payable	823.19	-	621.25	-
Interest accrued	1.25	-	0.67	-
Book Overdraft	-	-	-	-
Payable for capital purchases	733.09	-	453.06	-
Lease Liabilities	530.66	-	159.81	-
Employee reimbursement payable	3.06	-	2.90	-
Employee Benefits Expenses Payable	126.42	-	103.62	-
Payable for IPO expenses	-	-	2.68	-
Dividend Payable	0.05	-	-	-
<b>Total Financial Liabilities</b>	<b>3,304.85</b>	<b>-</b>	<b>1,527.20</b>	<b>-</b>

## 44 Fair value hierarchy

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

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 44 Fair value hierarchy (Contd..)

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

As at March 31, 2024	Level 1	Level 2	Level 3	Total
<b>Financial Asset</b>				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
<b>Total Financial Asset</b>	-	<b>0.01</b>	-	<b>0.01</b>
<b>Financial Liabilities</b>	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	-	-

As at March 31, 2023	Level 1	Level 2	Level 3	Total
<b>Financial Asset</b>				
Investment in Kotak Liquid Fund Regular Plan Growth	-	0.01	-	0.01
<b>Total Financial Asset</b>	-	<b>0.01</b>	-	<b>0.01</b>
<b>Financial Liabilities</b>	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	-	-

b Valuation technique used to determine fair value

The investment in share of Janta Sahakari Bank is fair valued basis the best estimate and information available and the fair value approximates its carrying value. The investment in Kotak Liquid Fund Regular Plan Growth is fair valued basis the value of investment as on year end.

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

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

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

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

## 45 Financial risk management objectives and policies

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

(A) Market risk

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

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

Interest Rate Sensitivity	March 31, 2024	March 31, 2023
Increase by 100 basis point	7.61	5.13
Decrease by 100 basis point	(7.61)	(5.13)



# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 46 Financial risk management objectives and policies (Contd..)

### (B) Credit risk

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

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

The movement in the provision for the year ended are as follows:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>The movement in the provision for bad and doubtful debts for the year ended are as follows:</b>		
<b>Opening balance</b>	51.10	58.30
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	(2.04)	(7.20)
2. Write off as bad debts	-	-
<b>Closing Balance</b>	<b>(49.06)</b>	<b>51.10</b>
<b>The movement in the provision for doubtful advances for the year ended are as follows:</b>		
<b>Opening balance</b>	31.01	31.01
Changes in loss allowance:		
1. Loss allowance based on Expected credit loss	-	-
2. Write off as bad debts	-	-
<b>Closing Balance</b>	<b>31.01</b>	<b>31.01</b>

Company has one customer as at March 31, 2024 & March 31, 2023 which accounts for 10% or more of the total trade receivables at each reporting date.

### (C) Liquidity risk

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

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

As at March 31, 2024	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	1,179.07	-	-	1,179.07
Long-term borrowings & leases	-	367.74	51.06	418.80
Trade payables	823.19	-	-	823.19
Other financial liability	678.20	187.45	18.14	883.78
	<b>2,680.46</b>	<b>555.19</b>	<b>69.20</b>	<b>3,304.85</b>
As at March 31, 2023	Less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings & leases	81.97	-	-	81.97
Long-term borrowings & leases	-	233.25	9.59	242.84
Trade payables	621.25	-	-	621.25
Other financial liability	244.32	318.68	18.14	581.14
	<b>947.54</b>	<b>551.93</b>	<b>27.73</b>	<b>1,527.20</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 46 Capital management

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

The board of directors have recommended the final dividend of ₹2.50 per equity share of the face value of ₹5 per equity share for the year ended March 31, 2024. The payment of dividend is subject to approval of shareholders at the ensuing Annual General meeting of the company. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current and current borrowing including current maturities of long term borrowings and liability on compulsory convertible preference share. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
Equity Share Capital	161.45	156.99
Other Equity	7,936.57	7,230.37
<b>Total equity</b> (i)	<b>8,098.02</b>	<b>7,387.36</b>
Borrowings & lease liability	1,597.88	324.81
Less: cash and cash equivalents	(23.75)	(227.20)
<b>Net debt</b> (ii)	<b>1,574.13</b>	<b>97.61</b>
Overall financing (iii) = (i) + (ii)	9,672.15	7,484.96
Gearing ratio (ii)/ (iii)	0.16	0.01

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

## 47 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The details of funds primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013 are as follows:

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
i) Amount required to be spent by the Company during the year	14.34	10.25
ii) Amount of expenditure incurred	14.34	10.25
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	-	-
vi) Nature of CSR activities	Company has undertaken CSR activities for healthcare and related areas	

48 Disclosure pursuant to Schedule V read with regulations 34(3) and 53(f) of the SEBI(Listing Obligations And Disclosure Requirements) Regulations,2015

### A) Amount of loans / advances in nature of loans outstanding from subsidiaries as at March 31, 2024 -

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
KDPL Diagnostics (Amritsar) Private Limited	-	-	-	0.21
KDPL Diagnostics (Bathinda) Private Limited	-	-	-	2.77
KDPL Diagnostics (Jalandhar) Private Limited	-	-	-	0.19
KDPL Diagnostics (Ludhiana) Private Limited	-	-	-	0.19
KDPL Diagnostics (Patiala) Private Limited	-	-	-	0.04
KDPL Diagnostics (Sas Nagar) Private Limited	-	-	-	0.64
Krsnaa Diagnostics (Mohali) Private Limited	-	-	-	19.03

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 48 (Contd..)

### B) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount -

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Krsna International Limited-Yemen	31.01	31.01	31.01	31.01
Less: Credit impaired & full provided for in book	(31.01)	(31.01)	(31.01)	(31.01)
<b>Net</b>	-	-	-	-

### C) Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan as at March 31, 2024 & March 31, 2023- Nil

## 49 Utilisation of money raised through public issue

During the year ended March 31, 2022, the Holding Company had raised ₹4,000 Million through public issue of fresh equity shares, mainly with an objective of repayment of borrowings, capital expenditure for setting-up new centers in Punjab, Karnatka, Himachal Pradesh & Maharashtra and for general corporate purposes. The Company has estimated to incur expenses aggregating ₹662.19 Million (out of which, 218.04 Million pertains company's share) towards the initial public offering which includes both issue of fresh equity shares as well as offer for sale of equity shares by existing share holders. Given below are the details of utilisation of proceeds raised through public issue.

Particulars	March 31, 2024	March 31, 2023
Unutilized amount at the beginning of the year	1,012.25	1,802.76
Amount raised through public issue	-	0.00
Less- Share Issue Expenses relating to fresh offer	-	0.00
<b>Net IPO Proceeds available for utilization</b>	<b>1,012.25</b>	<b>1,802.76</b>
<b>Less: amount utilized during the year</b>		
Payment towards project expenditure relating to Capital Expenditure	427.98	345.24
Payment towards repayment of borrowings	-	31.79
Payment towards general corporate purpose	504.70	454.73
Interest received on fixed deposits transferred to Regular account	135.91	-
<b>Less: Interest Received on Utilized funds &amp; Others</b>		
Add: Interest received on funds re-invested during the year	56.35	41.26
Add: Amount pending to be released in current account of the company	-	-
<b>Amount Utilized at the year end</b>	<b>-</b>	<b>1,012.25</b>

Details of short-term investments made from unutilized portion of public issue raised during the year ended:

Particulars	March 31, 2024	March 31, 2023
Balance amount in current account	-	1.00
Investment in fixed deposits of banks	-	1,011.24
	<b>-</b>	<b>1,012.25</b>

Company has made saving in the capital expenditure for the proposed expansion for establishing a diagnostics centre at Punjab, Karnataka, Himachal Pradesh & Maharashtra on account of better price negotiation with vendors. Owing to this savings, Company has transferred unutilised funds amounting to ₹150.00 million raised for the object of establishing diagnostics centre to General Corporate purpose based on approval obtained from Board of Director and Audit Committee dated February 12, 2024 for change in utilisation of IPO proceeds within the specified objects.

## 50 Commitment & Contingency

Contingent Liabilities	March 31, 2024	March 31, 2023
Other money for which the Company is contingently liable (refer note below)	36.50	36.50
Income Tax Liability (Refer note 52)	196.33	-
<b>Total</b>	<b>232.83</b>	<b>36.50</b>

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

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 50 Commitment & Contingency (Contd..)

Capital Commitments	March 31, 2024	March 31, 2023
- Estimated Amount of contracts remaining to be executed on capital account Net of Advances	565.08	549.99
<b>Total</b>	<b>565.08</b>	<b>549.99</b>

**51** Pursuant to the search proceedings initiated under the provisions of section 132(1) and section 133A of the Income Tax Act, 1961 on the Company on July 20, 2022, assessment order u/s 143(3) of the Income Tax Act, 1961, has been received by the Company for the assessment year (AY) 2022-23. The tax authorities have allegedly made additions on account of undisclosed income and disallowance of certain deduction claimed by the Company in the tax returns for the assessment year (AY) 2022-23 and raised a demand of ₹196.3 million. The Company has provided the requisite disclosure to the stock exchange with respect to search operation on July 29, 2022, and on April 01, 2024, with respect to receipt of said Order in accordance with Regulation 30 of the SEBI (LODR) Regulations, 2015 (as amended). The Company has filed an appeal with the Joint Commissioner/Commissioner of (Appeals) of Income Tax against the Order on April 29, 2024. The management of the Company based on available information, underlying evidence, and opinion from tax consultants/experts, is of the view that the said demand is not tenable and will not have any material impact on the Company's financial position as of March 31, 2024, and the performance for the year ended on that date.

## 52 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**53** There are no immovable properties standing in the books of the company, hence the discloser of title deed not held in the name of the company is not applicable

**54** The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

**55** The company has not being declared as wilful defaulter by any bank or financials institution or any government authority

**56** The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

## 57 Utilisation of Borrowed funds and share premium:

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**58** The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year, (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

**59** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## 60 Registration of charges or satisfaction with Registrar of Companies

As per the records available on the Registrar of Companies (RoC), the below charges which were created by the Company in earlier years are still appearing as unsatisfied. However, the Company has already obtained no-dues certificate/other relevant documents from the respective bank but due to technical errors, this charge could not be satisfied on RoC portal:

Charge holder name : Punjab National Bank Amount : 0.10 million

## 61 Dividend

The board of directors have recommended the dividend of ₹2.50 per share of the face value of ₹5 per share for the year ended March 31, 2024. The payment of dividend is subject to approval of shareholders at the ensuing Annual General meeting of the company and hence was not recorded as liability.

## 62 Group Information

### Information about subsidiary

Name	Country of incorporation	Principal activities	% equity interest	
			March 31, 2023	March 31, 2022
KDPL Diagnostics (Amritsar) Pvt. Ltd.	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Bathinda) Pvt. Ltd.	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Jalandhar) Pvt. Ltd.	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Ludhiana) Pvt. Ltd.	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (Patiala) Pvt. Ltd.	India	Radiology services	100.00%	100.00%
KDPL Diagnostics (SAS Nagar) Pvt. Ltd.	India	Radiology services	100.00%	100.00%
Krsnaa Diagnostics (Mohali) Pvt. Ltd.	India	Pathology services	100.00%	100.00%

## 63 Additional information required by Schedule III of the Companies Act 2013.

As on March 31, 2024:

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total comprehensive Income (TCI)	
	As % of conso. net assets	Amt	As % of conso. P&L	Amt	As % of conso. OCI	Amt	As % of TCI	Amt
	<b>Parent</b>							
Krsnaa Diagnostics Limited	100.67%	8152.41	103.03%	585.61	137.59%	(1.83)	102.95%	583.78
<b>Subsidiaries</b>								
KDPL Diagnostics (Amritsar) Pvt. Ltd.	-0.03%	(2.39)	-0.26%	(1.50)	1.50%	(0.02)	-0.27%	(1.52)
KDPL Diagnostics (Bathinda) Pvt. Ltd.	-0.03%	(2.68)	-0.31%	(1.77)	1.50%	(0.02)	-0.32%	(1.79)
KDPL Diagnostics (Jalandhar) Pvt. Ltd.	0.01%	0.89	0.18%	1.02	-1.50%	0.02	0.18%	1.04
KDPL Diagnostics (Ludhiana) Pvt. Ltd.	-0.02%	(1.51)	-0.23%	(1.32)	-1.50%	0.02	-0.23%	(1.30)
KDPL Diagnostics (Patiala) Pvt. Ltd.	-0.01%	(0.58)	-0.09%	(0.53)	-3.76%	0.05	-0.08%	(0.48)
KDPL Diagnostics (SAS Nagar) Pvt. Ltd.	0.00%	(0.31)	0.28%	1.59	-7.52%	0.10	0.30%	1.69
Krsnaa Diagnostics (Mohali) Pvt. Ltd.	-0.59%	(47.81)	-2.59%	(14.73)	-25.56%	0.34	-2.54%	(14.38)
<b>Total Net Assets</b>	<b>100.00%</b>	<b>8,098.02</b>	<b>100.00%</b>	<b>568.37</b>	<b>100.75%</b>	<b>(1.33)</b>	<b>100.00%</b>	<b>567.04</b>
Holding Company Interest	100.00%	8,098.02	100.00%	568.37	100.00%	(1.33)	100.00%	567.04
Non-controlling Interest	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Total</b>	<b>100.00%</b>	<b>8,098.02</b>	<b>100.00%</b>	<b>568.37</b>	<b>100.00%</b>	<b>(1.33)</b>	<b>100.00%</b>	<b>567.04</b>

# Notes Forming Part of Consolidated Financial Statements

for the year ended March 31, 2024

(Amount in ₹ million unless otherwise stated)

## 63 Additional information required by Schedule III of the Companies Act 2013. (Contd..)

As on March 31, 2023:

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total comprehensive Income (TCI)	
	As % of conso. net assets	Amt	As % of conso. P&L	Amt	As % of conso. OCI	Amt	As % of TCI	Amt
<b>Parent</b>								
Krsnaa Diagnostics Limited	100.51%	7,425.01	102.25%	635.09	105.51%	5.16	102.28%	640.25
<b>Subsidiaries</b>								
KDPL Diagnostics (Amritsar) Pvt. Ltd.	-0.01%	(0.87)	-0.06%	(0.35)	-0.71%	(0.03)	-0.06%	(0.38)
KDPL Diagnostics (Bathinda) Pvt. Ltd.	-0.01%	(0.90)	-0.12%	(0.77)	-1.09%	(0.05)	-0.13%	(0.82)
KDPL Diagnostics (Jalandhar) Pvt. Ltd.	0.00%	(0.15)	0.05%	0.30	-1.07%	(0.05)	0.04%	0.25
KDPL Diagnostics (Ludhiana) Pvt. Ltd.	0.00%	(0.21)	0.07%	0.42	-0.88%	(0.04)	0.06%	0.38
KDPL Diagnostics (Patiala) Pvt. Ltd.	0.00%	(0.10)	0.09%	0.58	-0.58%	(0.03)	0.09%	0.55
KDPL Diagnostics (SAS Nagar) Pvt. Ltd.	-0.03%	(2.00)	0.14%	0.87	-1.09%	(0.05)	0.13%	0.82
Krsnaa Diagnostics (Mohali) Pvt. Ltd.	-0.45%	(33.42)	-2.42%	(15.03)	-0.31%	(0.01)	-2.40%	(15.04)
<b>Total Net Assets</b>	<b>100.00%</b>	<b>7,387.36</b>	<b>100.00%</b>	<b>621.11</b>	<b>99.80%</b>	<b>4.89</b>	<b>100.00%</b>	<b>626.00</b>
Holding Company Interest	100.00%	7,387.36	100.00%	621.11	100.00%	4.89	100.00%	626.00
Non-controlling Interest	0.00%	(0.00)	0.00%	(0.00)	0.00%	(0.00)	0.00%	(0.00)
<b>Total</b>	<b>100.00%</b>	<b>7,387.36</b>	<b>100.00%</b>	<b>621.11</b>	<b>100.00%</b>	<b>4.89</b>	<b>100.00%</b>	<b>626.00</b>

## 64 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

65 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

The accompanying notes are an integral part of the Consolidated Financial Statements

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

For and on behalf of the Board of Directors  
**Krsnaa Diagnostics Limited**  
CIN:L74900PN2010PLC138068

### Shradha D Khivasara

Partner  
Membership No: 134285  
Place: Pune  
Date: May 18, 2024

### Rajendra Mutha

Chairman  
DIN: 01066737  
Place: Pune  
Date: May 18, 2024

### Yash Mutha

Joint Managing Director  
DIN: 07285523  
Place: Pune  
Date: May 18, 2024

### Pallavi Bhatevara

Executive Director  
DIN: 03600332  
Place: Pune  
Date: May 18, 2024

### Prashant Deshmukh

Chief Executive Officer  
Place: Pune  
Date: May 18, 2024

### Pawan Daga

Chief Financial Officer  
Place: Pune  
Date: May 18, 2024

### Sujoy Bose

Company Secretary  
Place: Pune  
Date: May 18, 2024





# KRSNAA DIAGNOSTICS LIMITED

Corporate Identification Number (CIN): L74900PN2010PLC138068  
Registered Office: S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station,  
Chinchwad, Pune 411019 Tel. No.: +91 20 2740 2400  
E-mail: investors@krsnaa.in Website: www.krsnaadiagnostics.com

## NOTICE OF THE 14<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE FOURTEENTH ANNUAL GENERAL MEETING ("AGM") OF MEMBERS OF KRSNAA DIAGNOSTICS LIMITED ("THE COMPANY") WILL BE HELD ON SATURDAY, SEPTEMBER 21, 2024 AT 02:15 P.M. (IST) THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO-VISUAL MEANS ("OAVM"), DEEMED VENUE FOR THE MEETING SHALL BE THE REGISTERED OFFICE ADDRESS OF THE COMPANY SITUATED AT S. NO. 243/A, HISSA NO. 6, CTS NO. 4519, 4519/1, NEAR CHINCHWAD STATION, CHINCHWAD, TALUKA – HAVELI, PUNE, MAHARASHTRA 411019, TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

#### Item No. 1 – Adoption of Financial Statements:

To receive, consider, approve and adopt:

- the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon and
- the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Auditors thereon.

#### Item No. 2 – Declaration of Final Dividend:

To declare Final Dividend of ₹2.50 (₹Two and Fifty Paise only) per equity share of face value of ₹5 each, of the Company for the Financial Year ended March 31, 2024.

#### Item No. 3 – Re - appointment of Mr. Yash Mutha (DIN: 07285523) as the Director, liable to retire by rotation:

To appoint a Director in place of Mr. Yash Mutha (DIN: 07285523), who retires by rotation in terms of Section 152 of the Act and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### Item No. 4 – Ratification of Remuneration payable to Cost Auditors for the Financial Year 2024-25:

The Members are requested to consider and if thought fit, pass with or without modification(s), the following resolution as Ordinary Resolution(s):

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) / re-enactment(s) thereof, for the time being in force) and any other applicable provisions / statutes as may be applicable from time to time, the shareholders hereby ratify the remuneration of ₹1,25,000/- (One Lakh and Twenty-five Thousand only) plus applicable taxes thereon and reimbursement of out-of-pocket expenses at actuals payable to M/s Harshad S. Deshpande & Associates, Cost and Management Accountants, (Firm Registration No. 00378), appointed as Cost Auditors of the Company for conducting the cost audit of the accounts for the financial year ending March 31, 2025.

**RESOLVED FURTHER THAT** the Board of Directors and / or Chief Executive Officer and/ or Chief Financial Officer and / or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

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

**Rajendra Mutha**

Place: Pune  
Date: August 06, 2024

Chairperson and Whole-time Director  
DIN: 01066737

#### Registered Office:

S. No. 243 /A, Hissa No. 6, CTS No. 4519,4519 /1  
Near Chinchwad Station, Chinchwad,  
Taluka- Haveli Pune MH 411019  
CIN: L74900 PN2010 PLC138068

## NOTES

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 and all other relevant circulars issued from time to time (hereinafter referred to as "Circulars"), physical attendance of the Members to the Annual General Meeting (AGM) is not required and general meeting 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 only. The deemed venue for the AGM will be Registered Office of the Company.
2. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with Circulars issued by the Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated January 05, 2023 issued by SEBI.
3. Pursuant to the aforesaid circulars issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Accordingly, the proxy form and attendance slip are not attached to this notice and the resultant requirement for submission of proxy forms does not arise.
4. The Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. For this purpose, the corporate members are requested to send resolution/ authorisation authorising their representatives to attend the AGM through VC and vote on its behalf to the following e-mail address: [investors@krsnaa.in](mailto:investors@krsnaa.in) with a copy marked to [cs@krsnaa.in](mailto:cs@krsnaa.in).
5. 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 for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. 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 the Circulars issued by the Ministry of Corporate Affairs, 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as electronic voting on the date of the AGM will be provided by NSDL.
8. The notice calling the AGM and the Annual Report for the Financial Year 2023-24 has been uploaded on the website of the Company at [www://krsnaadiagnostics.com/](http://www://krsnaadiagnostics.com/). The Notice and the Annual Report 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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM notice is also available on the website of NSDL (agency for providing the Remote e-voting facility i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)).
9. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Register of the Company will remain closed from Saturday, September 14, 2024 to Saturday, September 21, 2024 (both days inclusive).
10. Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection by the members in electronic mode. Members can send an e-mail to [investors@krsnaa.in](mailto:investors@krsnaa.in) requesting for inspection of the Registers.
11. In compliance with the aforesaid MCA circulars and SEBI Circulars dated January 05, 2023, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories unless any member has requested for a hard copy of the same. The Notice and the Annual Report of the Company is uploaded on the Company's website at [www://krsnaadiagnostics.com/](http://www://krsnaadiagnostics.com/).
12. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Friday, September 13, 2024 only shall be entitled to avail the remote e-voting facility as well as electronic voting in the AGM.

13. Any person who becomes a member of the Company after dispatch of the notice of the Meeting and holding shares as on the cut-off date i.e. Friday, September 13, 2024 (“Incremental Members”) may obtain the User ID and Password by either sending an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or calling at 022-4886 7000 and 022- 2499 7000. If the member is already registered with NSDL e-voting platform, then he can use his existing User ID and password for casting the vote through remote e-voting.
14. Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest. Pursuant to SEBI LODR Amendments, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form and the transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.
15. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company’s Registrar & Transfer Agents.
16. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
17. As required in terms of SEBI (LODR) Regulations, 2015, the information (including profile and expertise in specific functional areas) pertaining to director recommended for appointment / reappointment in the AGM is appended to this notice.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their DPs with whom they are maintaining their Demat accounts and members holding shares in physical form to the Company / Registrar & Transfer Agents.
19. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Company / Depository Participant(s) for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

#### Dividend-related information

1. The Board of Directors has recommended a Final Dividend of ₹2.50 per equity share of ₹5.00 each for the Financial Year ended on March 31, 2024, that is proposed to be paid within a period of 30 days from the date of declaration, subject to approval of the shareholders at the 14<sup>th</sup>AGM.
2. The Company has fixed Friday, September 13, 2024 as the record date for determination of entitlement for payment of Final Dividend.
3. Pursuant to amendments in the Income Tax Act, 1961 (“IT Act”) dividend income is taxable in the hands of the shareholders from April 01, 2020 and the Company is required to deduct tax at source (“TDS”) from dividend paid to the Members as per the rates prescribed in IT Act. In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants (“DP”) or in case shares are held in physical form, with Company’s Registrar and Transfer Agents viz., KFin Technologies Limited (“RTA”).
4. Further, in order to receive dividend(s) in a seamless manner, Members who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means (“Electronic Bank Mandate”), are requested to update your Electronic Bank Mandate through your DPs.
5. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate or otherwise, the Company shall dispatch the dividend warrant/ Bankers’ cheque /demand draft or any other permitted instrument(s), to such Member, as soon as possible.

## INSTRUCTION FOR MEMBERS FOR REMOTE E-VOTING AND ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

The remote e-voting period begins on Wednesday, September 18, 2024 at 09:00 A.M. (IST) and ends on Friday, September 20, 2024 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the cut-off date i.e. Friday, September 13, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid- up equity share capital of the Company as on the aforesaid cut-off date.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting for Individual shareholders holding securities in DEMAT mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in DEMAT mode are allowed to vote through their DEMAT account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their DEMAT accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in DEMAT mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit DEMAT account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders / Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**NSDL Mobile App is available on**





Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in DEMAT mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in DEMAT mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in DEMAT mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022- 4886 7000
Individual Shareholders holding securities in DEMAT mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in DEMAT mode and shareholders holding securities in physical mode.

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
- A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. DEMAT (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in DEMAT account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in DEMAT account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

account number/folio number, your PAN, your name and your registered address etc.

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

- (i) If your email ID is registered in your DEMAT account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details / Password?**" (if you are holding shares in your DEMAT account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your DEMAT

#### Step 2: Cast your vote electronically on NSDL e-Voting system.

##### How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join Meeting"
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

##### General Guidelines for Shareholders

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csdineshbirla@](mailto:csdineshbirla@)



[gmail.com](mailto:evoting@nsdl.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022-4886 7000 or send a request to Mr. Abhijeet Gunjal at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email IDs are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investors@krsnaa.in](mailto:investors@krsnaa.in)
2. In case shares are held in DEMAT mode, please provide DPID-CLID (16 digit DPID + CLID or 16digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investors@krsnaa.in](mailto:investors@krsnaa.in). If you are an Individual shareholders holding securities in DEMAT mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in DEMAT mode.**
3. Alternatively shareholder / members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in DEMAT mode are allowed to vote through their DEMAT account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their DEMAT account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and

are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investors@krsnaa.in](mailto:investors@krsnaa.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investors@krsnaa.in](mailto:investors@krsnaa.in). These queries will be replied to by the company suitably by email.
6. Members who need assistance before or during the AGM with use of technology, can send a request to Abhijeet Gunjal at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on: 022- 4886 7000.
7. Further instructions, if any, regarding this AGM and related matters, shall be available on the website of the Company, under Investors section.

## Other Information

1. Mr. Dinesh Birla (FCS 7658), Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-Voting process and to conduct the same in a fair and transparent manner.
2. The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than two working days of conclusion of the e-AGM to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and Certificate from the Secretarial auditor of the Company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection without any fee, up to the date of AGM. Members seeking to inspect such documents may send a request on the email ID [investors@krsnaa.in](mailto:investors@krsnaa.in).
4. The results declared along with the Scrutinizer's report will be placed on the website of the Company i.e. <https://krsnaadiagnostics.com> under Investors section and on the website of NSDL i.e. <https://evoting.nsdl.com>. The results shall also be communicated to the Stock Exchanges.
5. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of Bank and branch details, bank account number, MICR code, IFSC code etc.

Type of holder	Process to be followed
<b>Demat</b>	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP
<b>Physical</b>	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited either by email to <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> or by post to Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032.
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof for securities held in physical mode <span style="float: right;">Form ISR-1</span>
	Update of signature of securities holder <span style="float: right;">Form ISR-2</span>
	For nomination as provided in the Rule 19(1) of Companies (Share Capital and Debenture) Rules, 2014 <span style="float: right;">Form SH-13</span>
	Cancellation of nomination by the holder(s) (along with ISR-3)/Change of Nominee <span style="float: right;">Form SH-14</span>
	Form for requesting issue of Duplicate Certificate and other service requests for shares held in physical form <span style="float: right;">Form ISR- 4</span>
	Members may download all the forms from website of the Company or RTA i.e. <a href="https://krsnaadiagnostics.com">https://krsnaadiagnostics.com</a> or <a href="http://www.kfintech.com">www.kfintech.com</a>

- i. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- ii. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
6. Members are requested to address all correspondence, including dividend related matters, to (RTA):  
K V S Gopala Krishna  
KFin Technologies Limited,  
Unit: Krsnaa Diagnostics Limited,  
Selenium Tower B, Plot 31-32, Financial District,  
NanakramgudaSerilingampally  
Mandal, Hyderabad 500 032, India  
Tel: +91 40 6716 2222  
Fax: +91 40 2342 0814  
E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
7. To support the Green initiatives taken by the MCA, Members are requested to register their email ID(s) (if not already done), so that all future communication/documents can be sent in electronic mode.  
  
Members holding shares in physical form and who have not registered their email ID(s) may get their email ID's registered with the RTA, by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Members are requested to provide details such as name, folio number, certificate number, PAN, mobile number, and email ID and attach image of share certificate in PDF or JPEG format.

In respect of DEMAT holdings, for registration of email-ID, the members are requested to register the same with the respective DP by following the procedure prescribed by their DP.

## Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 (“The Act”)

### Item No. 4 – Ratification of Remuneration payable to Cost Auditors for the Financial Year 2024-25

The Board of Directors of the Company at its meeting held on February 12, 2024, on recommendation by the Audit Committee, appointed M/s Harshad S. Deshpande & Associates (Firm Registration Number: 00378), Cost and Management Accountants, as the Cost Auditors for the Financial Year 2024-25 at a remuneration of ₹1,25,000/- (₹One Lakh Twenty-Five Thousand only) plus applicable taxes and out of pocket expenses.

As per Section 148 of Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the Cost Auditors is to be ratified by the shareholders of the Company.

The Board considers the remuneration payable to the Cost Auditors as fair and recommends the resolution contained in Item no. 4 of the accompanying notice for approval of the Shareholders as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this AGM Notice.

## ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS:

### YASH PRITHVIRAJ MUTHA

Age	43 Years
Date of first appointment on the Board	January 31, 2019
Qualification	Chartered Accountant
Brief Profile	<p>Mr. Yash Mutha is a seasoned leader with over 18 years of extensive experience in strategy, operations, and overall business management, playing a pivotal role in driving the growth and transformation of our company. He holds a bachelor's degree in commerce from the University of Pune and is a respected associate member of the Institute of Chartered Accountants of India. Additionally, Mr. Mutha holds a Certified Fraud Examiner certificate, accredited by the Association of Certified Fraud Examiners, USA, and Certified Information Systems Auditor (CISA) certificate, certified by the CISA Certification Committee, USA.</p> <p>Since joining our company in 2017, Mr. Mutha has been a driving force behind our strategic initiatives, overseeing key operational functions, and reinforcing our commitment to innovation and excellence. His leadership as Joint Managing Director has been instrumental in navigating the complexities of the healthcare diagnostics industry, enhancing corporate governance, and fostering sustainable business growth.</p> <p>Before taking on his current role, Mr. Mutha garnered significant experience with globally renowned firms such as KPMG, Deloitte (South Africa), Credit Suisse, and Proximit. His domestic and international expertise spans various sectors, including manufacturing, mining, pharmaceuticals, and financial services, bringing a wealth of knowledge in auditing, consulting, and risk management to our company.</p>
Nature of expertise in specific functional area/skills and capabilities	<ol style="list-style-type: none"> <li>1. Business Operations and Management;</li> <li>2. Technical Expertise;</li> <li>3. Business operations at Global Level including industry knowledge;</li> <li>4. Strategy and Planning;</li> <li>5. Financial Treasury management and taxation expertise;</li> <li>6. Governance Compliance and Risk Management</li> </ol>
Directorships in other Listed Companies	NIL
Number of Board meetings attended as on the Financial Year ended March 31, 2024.	Attended all seven (7) Board Meetings held during the year.
Chairperson/Membership of the Committee(s) of Board of Directors of the Company as on the Financial Year ended March 31, 2024.	<ol style="list-style-type: none"> <li>a) Audit Committee-Member;</li> <li>b) Stakeholders' Relationship Committee-Member;</li> <li>c) Risk Management Committee-Member.</li> <li>d) Operation Committee</li> </ol>
Memberships of Committees in other Companies	NIL
Listed entities from which Yash Prithviraj Mutha has resigned as Director in past 3 years	Not applicable
No. of Shares held in the Company, including shareholding as a beneficial owner	2,19,855
Disclosure of inter-se relationships between Directors and Key Managerial Personnel	Mr. Yash Mutha is not related to any one of the Directors or Key Managerial Personnel of the Company as per applicable regulatory provisions.









**Krsnaa Diagnostics Limited**

**Registered Office & Corporate Office**

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