



## Aspira Pathlab & Diagnostics Limited

(Formerly known as Utkal Soap Products Ltd.)

**Regd. Office:** Flat No. 2, R D Shah Building, Shraddhanand Road,  
Opp. Railway Station, Ghatkopar (W), Mumbai 400 086  
CIN:L85100MH1973PLC289209

**Corporate Office:** Plot No. 6, RPT House, Sector 24, Turbhe, Navi Mumbai 400 703

August 28, 2019

BSE Limited  
Department of Corporate Services,  
Ground Floor, P. J. Towers,  
Dalal Street, Fort, Mumbai - 400 001.

Through: BSE Listing Centre

Scrip Code: 540788

Sub :- intimation under Regulation 34(1) and Regulation 30 read with Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations")03+

Dear Sirs,

This is to inform you that the 46<sup>th</sup> Annual General Meeting of the Members of the Company is scheduled to be held on Saturday, September 21, 2019 at 11.00 am at Lantana Hall, Ghatkopar Jolly Gymkhana, Jugaldas Modi Marg, (Kirol Road), Ghatkopar (West), Mumbai- 400086, Maharashtra.

Pursuant to Regulation 34 (1) of Listing Regulations, we enclose herewith the Annual Report of the Company for the Financial Year 2018-19, including the Notice of the 46<sup>th</sup> Annual General Meeting scheduled to be held on September 21, 2019.

The same is also available on the website of the Company at the following weblink :

<https://www.aspiradiagnostics.com/wp-content/uploads/2019/08/Annual-Report-2018-19.pdf>

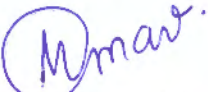
The Company will provide to its members the facility to cast their vote(s) on all resolutions set out in the Notice by electronic means ("e-voting"). The e-voting communication giving instructions for e-voting, being sent along with the integrated Annual Report, is also attached.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For Aspira Pathlab & Diagnostics Ltd

  
Mamta Mav  
Company Secretary



**INDIA'S FIRST  
FULLY INTEGRATED LAB**

☎ 7197 5756, 6276 5700 🌐 [www.aspiradiagnostics.com](http://www.aspiradiagnostics.com)  
✉ [support@aspiradiagnostics.com](mailto:support@aspiradiagnostics.com) | [info@aspiradiagnostics.com](mailto:info@aspiradiagnostics.com)

## ASPIRA PATHLAB & DIAGNOSTICS LIMITED

# 46<sup>th</sup> Annual Report 2018-2019



Untouched by hand  
touched by heart



**INDIA'S FIRST FULLY AUTOMATED LAB**

CIN - L85100MH1973PLC289209

## Aspira Pathlab & Diagnostics Limited

### CORPORATE INFORMATION BOARD OF DIRECTORS:

|                                    |  |
|------------------------------------|--|
| Mr. Avinash Chander Mahajan        | Chairman & Independent Director<br>(Resigned as chairman w.e.f. May 18,2019) |
| Dr. Haseeb Drabu                   | Independent Director w.e.f. 27/10/2018<br>and chairman w.e.f May 18, 2019    |
| Dr. Pankaj J Shah                  | Managing Director  |
| Dr. Paresh Bhanji Bhanushali       | Executive Director (Resigned w.e.f. 27/10/2018)                              |
| Mrs. Mangala Radha Krishnan Prabhu | Independent Director   |
| Ms. Vandana Sachin Bhansali        | Independent Director   |
| Dr. Chander Prakash Puri           | CEO & Executive Director (Resigned w.e.f March 31, 2019)                     |
| Mr. Arvind Karsandas Bhanushali    | Executive Director   |
| Dr. Subhash Raghunath Salunke      | Independent Director   |
| Dr. Abhay Sadashiv Chowdhary       | Independent Director   |

### Registrar & Share Transfer Agent

Sharex Dynamic (India) Private Limited Unit No.1,  
Luthra Industrial Estate, Safed Pool, Andheri Kurla Road,  
Andheri East, Mumbai- 400 072.  
E-mail Id: sharexindia@vsnl.com • Tel No: 2852 8087

### Statutory Auditors

M/s P. Khetan & Co.  
Chartered Accountants

### Bankers:

Bank of Baroda  
HDFC Bank

### Listing

BSE Limited  
Metropolitan Stock Exchange Limited  
(Delisted w.e.f. 12/04/2018)  
Calcutta Stock Exchange Limited  
(Delisted w.e.f. 15/10/2018)

### Compliance Officer & Company Secretary

Mamta Mav

### Chief Financial Officer

Balakrishna Talawadekar (Resigned w.e.f. May 18, 2019)  
Pralhad Bhanushali ( w.e.f. May 19, 2019)

### Registered Office :

Flat No. 2, R.D.Shah Building, Shraddanand Road,  
Opp. Ghatkopar Railway Station, Ghatkopar (west),  
Mumbai -400086, INDIA  
Phone: 022 - 71975756/5656  
E-Mail: info@aspiradiagnostics.com

### Corporate Office

Plot No. 6, RPT House, Sector 24, Turbhe,  
Navi Mumbai-400703 Maharashtra

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 46th ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF ASPIRA PATHLAB & DIAGNOSTICS LIMITED (“COMPANY”) WILL BE HELD ON SATURDAY, SEPTEMBER 21, 2019 AT 11.00 A.M AT LANTANA HALL, GHATKOPAR JOLLY GYMKHANA, JUGALDAS MODI MARG, (KIROL ROAD), GHATKOPAR (WEST), MUMBAI- 400 086, MAHARASHTRA TO TRANSACT THE FOLLOWING BUSINESS.**

### **ORDINARY BUSINESS**

1. To receive, consider and adopt audited financial statements of the Company for the financial year ended **March 31, 2019** together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Shri. Arvind Bhanushali, who retires by rotation as a Director, and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Sections 139, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. P Khetan & Co. Chartered Accountants, (Firm Registration No. – 327386E) be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of 46th Annual General Meeting till the conclusion of 51<sup>st</sup> Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imburement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressive, subject to approval of Members in the Annual General Meeting and ratification every year.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them to be in the best interest of the Company including fixation of their remuneration and reimbursement of out of pocket expenses incurred in connection hereto.”

### **SPECIAL BUSINESS**

4. To appoint Dr. Haseeb Drabu as an Independent Director and Chairman.

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

“**RESOLVED THAT**, pursuant to sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and various Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Rules framed there under, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) **Dr. Haseeb Drabu** (DIN: 00489888), who was appointed as an Additional Independent Director on October 27, 2018 and as chairman w.e.f May 18, 2019 , whose term of office expires at this Annual General Meeting who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director and Chairman of the Company, not liable to retire by rotation and to hold office for a term of five consecutive years with effect from 46<sup>th</sup> Annual general Meeting to 51<sup>th</sup> Annual General Meeting of the Company.

**RESOLVED FURTHER THAT** any Director and/or Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution, matters incidental thereto and/or otherwise considered by them to be in the best interest of the Company.”



5. **Re-appointment of Ms. Vandana Bhansali (DIN: 06916248) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Vandana Bhansali (DIN: 06916248), who was appointed as an Independent Director of the Company for a term of five years from September 26, 2014, by the members at the 41st Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from September 26, 2019 up to September 25, 2024 not liable to retire by rotation.”

6. **Re-Appointment of Dr. Pankaj Shah (DIN: 02836324), as Managing Director of the Company:**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time thereto and the Articles of Association of the Company, subject to such other consents and permission as may be necessary, and subject to such modifications, variations as may be approved and acceptable, approval of the Company be and is hereby accorded for the reappointment of Dr.

Pankaj Shah (DIN: 02836324) as Managing Director of the Company, whose office will be liable to determination by retirement by rotation, for a period of three years from August 01, 2019 to July 31, 2022 and payment of remuneration for the aforesaid period on the terms and conditions which are set out in Explanatory Statement annexed to the notice convening this meeting, as approved by the Nomination & Remuneration Committee in its meeting held on May 18, 2019.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the currency of tenure of the appointment, the Managing Director shall be paid salary, perquisites and other allowances as set out in Explanatory Statement, as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and in accordance with the provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** any Director or the Company Secretary of the Company be and are hereby authorized to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

7. **To approve the issue of Equity Shares on Preferential Basis**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to: (i) the provisions of Sections 62(1)(c) read with Section 42 and Section 23 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force); and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company; (ii) the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); (iii) Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the extent applicable, and provisions of the Foreign Exchange Management Act, 1999 including any modification(s) or re-enactment(s) thereof, for the time being in force, and any other rules / regulations/ guidelines. if any, prescribed by the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), stock exchanges and/or any other statutory / regulatory authority; and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s). permission(s). and/or sanction(s) and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent of the members of the Company be and is hereby accorded to create, issue, offer, allot in one or more tranches on preferential basis to Strategic Investors not forming part of Promoters Group, at such time or times as the Board may in its absolute discretion thinks fit, upto 38,00,000 (Thirty Eight Lakh) equity shares of the Company of the face value of Rs. 10 (Rupees Ten only) each ("Equity Shares"), for cash, at a price of Rs. 26/- (Twenty-six) per Equity Share (including premium of Rs. 16 per Equity Share) aggregating to Rs. 9,88,00,000 (Rupees Nine Crores Eighty Eight Lakhs), not being less than the price determined in accordance with the provisions of Chapter V of the ICDR Regulations and Companies Act, 2013 by way of preferential basis.

**"RESOLVED FURTHER THAT** in accordance with the provisions of Chapter V of the ICDR Regulations, the "Relevant Date" for the purpose of determination of minimum price of the Equity Shares to be issued and

allotted as stated above shall be August 21, 2019 being the date falling 30 (thirty) days prior to the date of this Annual General Meeting being held on September 21, 2019 to approve the preferential issuance and allotment of Equity Shares."

**"RESOLVED FURTHER THAT** the allotment of the Equity Shares to the Subscriber shall be on such terms and conditions as may be determined by the Board including in accordance with the Companies Act, 2013 and the ICDR Regulations including but not limited to the following:

- a) The Equity Shares shall be allotted within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the allotment of Equity Shares is subject to receipt of any approval(s) or permissions(s) from any regulatory authority or the Central Government. the allotment shall be completed within 15 (fifteen) days from the date of receipt of such approval(s) or permission(s).
- b) The Equity Shares allotted to the Subscriber shall be in dematerialised form.
- c) The Equity Shares allotted to the Subscriber shall, subject to receipt of necessary approvals for listing and trading, be listed and traded on the BSE limited.
- d) The Equity Shares being allotted to the Subscriber shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing fully paid up equity shares of the Company of the face value of Rs. 10 (Rupees Ten only) in all respects, including dividend and voting rights.
- e) The Equity Shares allotted to the Subscriber shall remain locked-in from the date of trading approval granted for the Equity Shares for such periods as specified under the provisions of Chapter V of the ICDR Regulations.
- f) The Equity Shares shall be allotted to the Subscriber for consideration to be received in cash.

- g) The number of equity shares so offered, issued and allotted to the Subscriber shall not exceed the number of equity shares as approved hereinabove.”

“**RESOLVED FURTHER THAT** the Company hereby takes note of the certificate from the Statutory Auditors, being a Practicing Chartered Accountant certifying that the above issue of the Equity Shares is being made in accordance with the ICDR Regulations.

“**RESOLVED FURTHER THAT** pursuant to the provisions of the Companies Act 2013, the name of the Subscriber has been recorded for the issue of invitation to subscribe to the Equity Shares and a private placement offer letter in Form No. PAS-4 together with an application form be hereby issued to the Subscriber inviting the Subscriber to subscribe to the Equity Shares and consent of the members of the Company is hereby accorded for issuance of the same to the Subscriber.”

“**RESOLVED FURTHER THAT** the monies received by the Company from the Subscriber for application of the Equity Shares pursuant to this private placement shall be kept by the Company in a separate bank account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the Companies Act, 2013.’

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforementioned resolutions and for the purpose of issue and allotment of the Equity Shares and listing thereof with the Stock Exchange(s), the Board be and is hereby authorized to take all actions and do all deeds, matters and things as it may deem necessary, desirable or expedient and to resolve and settle all questions and difficulties that may arise, and effect any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulator, or other authorities or agencies involved in or concerned with the issue of the Equity Shares without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given

their consent or approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive:-

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforementioned resolutions, the Board be and is hereby authorized to engage and appoint merchant banker, registrar, bankers and other consultants and advisors, and their remuneration shall be decided by the Board.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the offer, issue, allotment of the Equity Shares, any one of the Directors or KMPs or the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including without limitation, preparing, signing, executing and filing applications with the appropriate authorities for obtaining requisite approvals for the issuance, trading and listing of the Equity Shares, as may be required, issuing clarifications on the issue and allotment of the Equity Shares, resolving any difficulties, effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulator, or other authorities or agencies involved in or concerned with the issue of the Equity Shares and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the resolution, the Board be and is hereby authorized to delegate any or all of the powers conferred upon it by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company.

8. **Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** the consent of the members be and is hereby granted in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee thereof) to borrow from time to time all such sum(s) of money from various entities (natural or artificial), including but not limited to financial institutions, non-banking finance companies, co-operative banks, investment institutions and their subsidiaries, banks, mutual funds, trusts, individuals, limited liability partnerships, firms, Government, association of persons/ individuals and other bodies corporate, whether by way of advances, loans, issue of debentures/bonds and/or other instruments or otherwise, including by way of external commercial borrowings in foreign denominated currencies from any foreign sources/ foreign countries as prescribed by statutory guidelines in this regard, if any, in such manner and upon such terms and conditions and with or without security, as may be deemed necessary and prudent by the Board for the purposes of the Company, notwithstanding that the money or money(s) to be borrowed by the Company together with the money(s) already borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company’s bankers in the ordinary course of business) and outstanding may exceed the aggregate of the paid-up share capital and free reserves of the Company, provided however that the total amount so borrowed by the Board and outstanding at any time, shall not exceed the limit of Rs. 35,00,00,000/- (Rupees Thirty-Five Crore only).”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all

such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

9. **Creation of charge / mortgage etc. on Company’s movable or immovable properties in terms of Section 180 (1) (a) of the Companies Act, 2013.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** the consent of the members be and is hereby granted in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee thereof) for the creation of mortgage, pledge, hypothecation or charge, in addition to the existing mortgages, pledges, hypothecations and charges created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties/assets of the Company, both present and future, and/or the whole or any part of the undertaking or undertakings of the Company, to or in favour of the lenders or trustees for the holders of debentures/bonds and/or other instruments or otherwise, to secure borrowings by way of rupee term loans, working capital facilities, foreign currency loans, external commercial borrowings, debentures, bonds and other instruments/ securities or otherwise, of the Company and/ or its subsidiaries and/or its joint ventures and/ or the group companies, of an aggregate outstanding borrowings not exceeding 35,00,00,000/- (Rupees Thirty Five Crore only) and interest, additional interest, liquidated damages, commitment charges, premium on prepayment or on redemption and all other costs, charges and expenses including any increase as a result of devaluation/ revaluation/fluctuation in the rates of exchange and all other moneys payable in terms of the



loan agreement(s)/ debenture trust deed (s)/ security trustee agreements or any other document in respect of the said borrowings.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents/ deeds/ writings/ papers and agreements for creating the aforesaid mortgage, pledge, hypothecation or charge and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

**FOR ASPIRA PATHLAB & DIAGNOSTICS LIMITED**

Sd/-

**Mamta Mav**

Company Secretary

Place : Mumbai

Dated :- 21/08/2019

### **NOTES FOR MEMBERS:**

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself/herself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from **September 15, 2019 to September 21, 2019**. (both days inclusive).
4. Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. M/s. Sharex Dynamics (India) Pvt. Ltd having registered office at Unit-1, Luthra Ind. Premises, Safed pool, Andheri Kurla Road, Andheri (E), Mumbai- 400072 is the Registrar and Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
7. Corporate members intend Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. up to the date of the meeting.
9. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting.

10. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

11. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA.

## 12. E-VOTING

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 46th Annual General Meeting. The Company has engaged the services of **National Securities Depository Limited** to provide the e-voting facility.

The Members whose names appear in the Register of Members / List of Beneficial Owners as on September 14, 2019 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Wednesday September 18, 2019 (09:00 hrs) and will end on Friday, September 20, 2019 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

### PROCEDURE FOR E-VOTING:

In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/ PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "ASPIRA PATHLAB & DIAGNOSTICS LIMITED.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [pandeyk2004@yahoo.co.in](mailto:pandeyk2004@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

| EVEN<br>(Remote e-voting<br>Event Number) | USER ID | PASSWORD/<br>PIN |
|---|---------|------------------|
|   |         |                  |

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222- 990.

III. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 14, 2019.

VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 07, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

VII. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

VIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

IX. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot/Poll paper.

13. Mr. Santoshkumar K. Pandey, Practicing Company Secretaries (Membership No. ACS 8546) and/or failing Ms. Sajedabanu Patel or Ms. Pooja Jobanputra an Independent Professional has been appointed as the Scrutinizer to Scrutinize the E- voting process in a fair and transparent manner (including the Ballot/Poll Form received from the members who do not have access to the e-voting process) in a fair and transparent manner.

14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot/Poll Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

15. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

16. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.aspiradiagnostics.com](http://www.aspiradiagnostics.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

17. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e. September 21, 2019.

## **EXPLANATORY STATEMENT**

**(Pursuant to Section 102 of the Companies Act, 2013)**

As required by section 102 of the Companies Act, 2013, the following explanatory statements sets out all material facts relating to the business mentioned under Item Nos. 4, 5, 6, 7, 8 and 9 of the accompanying notices:

### **Item No. 4**

At the Board Meeting of the Company held on October 27, 2018 the Board had appointed Dr. Haseeb Drabu as an additional independent director of the Company with immediate effect. In terms of Section 161(1) of the Act, Dr. Haseeb Drabu holds office upto the date of this Annual General Meeting and is eligible for appointment as Independent Director.

The appointment of Dr. Haseeb Drabu shall be effective upon approval by the members in the Meeting. Dr. Haseeb Drabu is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company and has given declaration to the Board that he meets criteria for independence as provided under section 149(6) of the Act and Regulation 16 (1)(b) of the SEBI ( Listing Obligations and Disclosures Requirements) Regulations, 2015.

### **Brief Resume of Dr. Haseeb Drabu**

Haseeb A Drabu is professional economist with a diverse skill set and wide-ranging experience. Involved with national economic policy making in India for seven years at the highest level, including in the Planning Commission, Finance Commission and the Economic Advisory Council of the Prime Minister Leveraging the national level experience, worked as the Economic Advisor, the principal economic policy maker at the state level for seven years. Chose to put policy into operations and headed a bank as Chairman and Chief executive for five years. In between government policy making and banking operations, headed India's premier financial daily, Business Standard. Even as a regular commentator on economic issues, was associated with various governmental policy making bodies both at the Centre as well as the state level.

He also writes a fortnightly column for Wall Street Journal partner in India, the business daily, Mint.

He has been associated with government and corporate policy making in various capacities. He was a member of the Prime Minister's Task Force on the Long-term Development, Member, Planning Commission's Working Group on Resources other than Tax Resources for the Eleventh Five-Year Plan, Consultant, Asian Development Bank on reforms and reconstruction in J&K, Member, Commission on Centre-State Relations. and Member of the Expert Group on 'Promotion of Diversity in living, education and workspaces for the minorities" formed by Government of India.

Accordingly, the Board commends the Ordinary Resolution as set out in item No. 4 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Dr. Haseeb Drabu, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

### **Item No. 5**

Ms. Vandana Bhansali (DIN: 06916248) was appointed as a Director on the Board of the Company on July 11, 2014. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, members of the Company at the 41<sup>st</sup> Annual General Meeting held on September 26, 2014 approved the appointment of Ms. Vandana Bhansali, as an Independent Director of the Company for a period of 5 years up to September 25, 2019.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from Ms. Vandana Bhansali, that, she is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Ms. Vandana Bhansali, as an Independent Director of the Company commencing from September 26, 2019 up to September 25, 2024 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. she is not liable to retire by rotation.

In the opinion of the Board, Ms. Vandana Bhansali, fulfills the conditions for her re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Ms. Vandana Bhansali, the Board of Directors at its meeting held on July 20, 2019 approved the continuance of office of Ms. Vandana Bhansali as mentioned in the resolution.

**Brief Profile of Ms. Vandana Bhansali :**

Ms. Vandana Bhansali is currently the Head of Innovation and Special Projects at Mann Deshi.

A development professional for over fifteen years, she has worked in both the corporate and development sectors, with a focus on designing innovative financial products and solutions that reach beneficiaries right at the grassroots. She spent over a decade with HSBC India before joining Mann Deshi.

She holds her Bachelors and Masters in Human Development from University of Mumbai and Diploma in Management of Voluntary Service Organisation from Narsee Monjee Institute of Management Studies. Ms. Vandana sits on the Board of MyRoots India Foundation – a Sec 8 Company working with grassroots farmers across India to provide authentic and local solutions from end to end.

Ms. Vandana Bhansali does not hold any shares of Aspira Pathlab & Diagnostics Limited. She is not related to any other Directors/KMPs of the Company. She is the Chairperson of Nomination & Remuneration Committee and Member of Audit Committee of the Company.

The Nomination & Remuneration Committee and the Board evaluated the performance of Ms. Vandana Bhansali, rated her satisfactory on all parameters and recommended her re-appointment.

Copy of the draft letter for re-appointment of Ms. Vandana Bhansali as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Ms. Vandana Bhansali, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, the Board commends the Special Resolution as set out in item No. 5 of the accompanying notice.

**Item No. 6****To re-appoint Dr. Pankaj Shah, as Managing Director of the Company:**

Dr. Pankaj Shah had been re-appointed as Managing Director of the Company on May 18, 2019 w.e.f August 01, 2019 for a period of 3 years. The term of office of Dr. Pankaj Shah as Managing Director of the Company is due to expire on July 31, 2019. The present proposal is to seek the Shareholders' approval for the re-appointment of Dr. Pankaj Shah as the Managing Director in terms of the applicable provisions of the Companies Act, 2013.

The payment of remuneration has been approved by the Nomination & Remuneration Committee in its meeting held on May 18, 2019 & subsequently by the Board of Directors in its Board Meeting held on the same date. Therefore, the Board proposes to seek approval of the Shareholders of the Company.

**Brief Profile of Dr. Pankaj Shah**

Dr. Pankaj Shah has been the guiding beacon behind the entire process. His experience and expertise in the field of pathology is par excellence. His portfolio boasts of over 40 years of experience in the field of pathology. After having completed his medical sciences degree from the Government Medical college in Miraj, he completed his Diploma in Pathology and Bacteriology in 1987. His zeal for education made him pursue a Master's degree from Tata Memorial Hospital in 1987 too. He has been a consulting pathologist for the past 38 years and his experience has enriched many students and patients alike.

The details of remuneration payable to Dr. Pankaj Shah and the terms and conditions of the re-appointment are given below:

Term: 3 years i.e. from August 01, 2019 to July 31, 2022

Remuneration structure:

**A. In case of adequate profits:**

Basic Salary: Rs. 66,00,000 per annum plus incentives as per the agreement with authority to the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee to grant such increment as they may deem fit

Other terms and Conditions:

- (i) Leave with full pay and allowances shall be allowed as per the Company's rules.
- (ii) Reimbursement of expenses actually and properly incurred in the course of business of the Company shall be allowed.
- (iii) No sitting fees shall be paid for attending the meetings of the Board of Directors or Committees thereof.
- (iv) Any other perquisites as may be determined by the Board of Directors of the Company from time to time within the overall limits specified in the Companies Act, 2013.

The overall remuneration payable every year to the Managing Director by way of salary, perquisites and allowance, incentives/bonus/performance linked pay, remuneration based on net profit etc. as the case may be shall not exceed in aggregate 5% of the net profits of the company calculated as per Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof.

**B. In event of inadequate profits:**

Where in any financial year during the currency of the tenure of the Managing Director, the Company does not have any profits or the profits are inadequate, the Managing Director shall be paid remuneration as under:

Remuneration payable as mentioned in clause A above, not exceeding the limits prescribed under Section II, Part II of Schedule V of the Companies Act, 2013, based on effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee and Board of Directors of the Company.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Dr. Pankaj Shah, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, the Board re-commends the Special Resolution as set out in item No. 6 of the accompanying notice.

**Item No. 7**

**TO APPROVE THE ISSUE OF EQUITY SHARES ON PREFERENTIAL ALLOTMENT BASIS**

**The Company proposes to make a preferential allotment of equity shares to**

| Sr.No. | Name  | Amount in Lakhs | No. of Shares  |
|--------|---|-----------------|----------------|
| 1.     | Glorious Holdings Pvt Ltd                       | 14300000        | 550000         |
| 2.     | Shri Mahalaxmi Agricultural Development Limited | 13000000        | 500000         |
| 3.     | Ganipitak Yakshraj Caplease Limited             | 14300000        | 550000         |
| 4.     | Panchratan Merchantile Private Limited          | 14300000        | 550000         |
| 5.     | Sukarma Commerce Private Liited                 | 14300000        | 550000         |
| 6.     | Rangoli Tradecomm Private Limited               | 14300000        | 550000         |
| 7.     | Vincent Commercial Co. Ltd                      | 14300000        | 550000         |
|        | <b>Total</b>                                    | <b>98800000</b> | <b>3800000</b> |



(Collectively known as "Subscribers"), on a preferential basis, which has been approved by the Board of Directors of the Company at its meeting held on August 21, 2019.

Approval of the members by way of special resolution is required inter alia in terms of Sections 42 and 62(1)(c) of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (collectively, the "CA 2013") as well as the Securities and Exchange Board of India, as amended (Issue of Capital and Disclosure Requirement) Regulations, 2018 ("ICDR Regulations") if any, and in terms of the provisions of the SEBI (LODR) Regulations, 2015 executed by the Company with BSE Limited.

Therefore, in terms of said sections, rules and regulations, consent of the Members is being sought for the issue and allotment upto 38,00,000 equity shares on preferential basis Investors not forming part of Promoters Group of the Company, having a face value of Rs.10 (Rupees Ten only) each at a price of Rs. 26 (Rupees Twenty-Six) (including a premium of Rs. 16/- (Rupees Sixteen) per Equity Share aggregating to Rs.9,88,00,000 (Rupees Nine Crores Eighty-Eight Lakhs) ("Equity Shares").

**Disclosure that is required to be made pursuant to Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 163 of the ICDR Regulations are given below:**

**(i) Object of the Preferential Issue:**

1. To repay unsecured loans/Inter Corporate Deposits of the Promoter/Promoter Group Companies.
2. Overall business development and expansion of the upcoming ventures.
3. To fund its Business requirements.
4. Working capital requirements of the Company.
5. To invest in marketable securities & subsidiaries companies.
6. To grant loans/Inter Corporate Deposits on short term basis.
7. To Acquire existing laboratories or pathology center & any related business on slump sale basis or outright acquisition.
8. General Corporate purpose.
9. To incur expenditure on marketing, brand promotion, etc of the services offered by the Company.

**(ii) The total number of equity shares to be issued:**

38,00,000 (Thirty- Eight lakhs ) Equity Shares.

**(iii) Terms of Issue of the Equity Shares, if any.**

The Equity Shares allotted in terms of this resolution shall rank pari passu with existing equity shares of the Company in all respects.

**(iv) Relevant Date:**

The relevant date as per the ICDR Regulations for the determination of the price per equity share pursuant to the preferential allotment is August 21, 2019 ("Relevant Date") (i.e. 30 days prior to the date of proposed AGM which is September 21, 2019 to approve the proposed preferential issue).

**(v) Price or price band at / within which the allotment is proposed:**

The preferential allotment of 38,00,000 (Thirty-Eight Lakhs) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each at an Issue Price of Rs. 26/- (Rupees Twenty Six) or at such other higher prices as may be determined as per Chapter V of SEBI (ICDR) Regulations.

**(vi) Basis or justification on which price (including premium) has been arrived at along with the report of the registered valuer:**

The issue price of Rs. 26/- per equity share is determined based on the valuation report received from the registered Valuer.

**(vii) The class or classes of persons to whom the allotment is proposed to be made.**

The allotment is proposed to be made to Strategic investors not forming part of Promoters group.

**(viii) Payment:**

100% of the value of the Equity shall become payable on the date of their allotment.

**(ix) The Intention of the Promoters/Promoter Group/Directors/Key Management Personnel to subscribe to this Offer:**

None of the Promoters/ Promoter Group/ Directors/ Key Management Person of the Company are subscribing to the offer.

**(x) Shareholding Pattern before and after the Proposed Equity Shares on Preferential issue:**

|           | Category                       | PRE ISSUE*         |                 | Allotment of Securities |                 | POST ISSUE<br>(Assuming full allotment of 3800000 equity shares) |                 |
|-----------|--------------------------------|--------------------|-----------------|-------------------------|-----------------|--|-----------------|
|           |                                | No. of Shares Held | % Share Holding | No. of Shares Held      | % Share Holding | No. of Shares Held   | % Share Holding |
| <b>A.</b> | <b>Promoters' holding :</b>    |                    |                 |                         |                 |  |                 |
| 1.        | Indian                         |                    |                 |                         |                 |  |                 |
|           | Individual                     | 2291000            | 27.96           | 0                       | 0               | 2291000  | 19.10           |
|           | Bodies Corporate               | 1440395            | 17.58           | 0                       | 0               | 1440395  | 12.01           |
|           | <b>Sub Total</b>               | <b>3731395</b>     | <b>45.54</b>    | <b>0</b>                | <b>0</b>        | <b>3731395</b>   | <b>31.11</b>    |
| 2.        | Foreign Promoters              | 0                  | 0               | 0                       | 0               | 0  | 0               |
|           | <b>Sub Total (A)</b>           | <b>3731395</b>     | <b>45.54</b>    | <b>0</b>                | <b>0</b>        | <b>3731395</b>   | <b>31.11</b>    |
| <b>B.</b> | <b>Non-Promoters'holding :</b> |                    |                 |                         |                 |  |                 |
| 1.        | Institutional Investors        | 0                  | 0               | 0                       | 0               | 0  | 0               |
| 2.        | Non-Institution Investors      |                    |                 |                         |                 |  |                 |
|           | Private CorporateBodies        | 1110               | 0.01            | 3800000                 | 100             | 3801110  | 31.69           |
|           | Directors and Relatives        | 0                  | 0               | 0                       | 0               | 0  | 0               |
|           | Indian Public                  | 4159360            | 50.77           | 0                       | 0               | 4159360  | 34.68           |
|           | Others (Including NRIs)        | 301135             | 3.68            | 0                       | 0               | 301135   | 2.51            |
|           | <b>Sub Total (B)</b>           | <b>4461605</b>     | <b>54.46</b>    | <b>3800000</b>          | <b>100.00</b>   | <b>8261605</b>   | <b>68.89</b>    |
|           | <b>GRAND TOTAL (A+B)</b>       | <b>8193000</b>     | <b>100.00</b>   | <b>3800000</b>          | <b>100.00</b>   | <b>11993000</b>  | <b>100.00</b>   |

\* As on June 30, 2019.

(xi) The identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of Post Preferential Issue Capital that may be held by them and change in control:

| Sr. No | Name of the Proposed Allottees                  | Identity of the ultimate Beneficial Owners*                               | No. & % of Equity Shares held prior to the Preferential Allotment | No. & % of Equity Shares to be Issued and Allotted | No. & % of Post Issue Equity and Voting Share Capital* (Assuming Full allotment of 3800000 Equity Shares) |
|--------|---|---|---|--|---|
|        | Non -Promoter                                   |   |   |  |   |
| 1.     | Glorious Holdings Pvt Ltd                       | Rakesh Madhav Pandey & Sunil Paragouda Nerli                              | 0   | 550000   | 4.586   |
| 2.     | Shri Mahalaxmi Agricultural Development Limited | Not applicable as it is a listed on BSE Ltd                               | 0   | 500000   | 4.169   |
| 3.     | Ganipitak Yakshraj Caplease Limited             | Dinesh Shah   | 0   | 550000   | 4.586   |
| 4.     | Panchratan Merchantile Private Limited          | Dharmendra Kumar Sharma   | 0   | 550000   | 4.586   |
| 5.     | Sukarma Commerce Private Liited                 | Chandrashekhar Balkrishna Rane  | 0   | 550000   | 4.586   |
| 6.     | Rangoli Tradecomm Private Limited               | Ushik Gala  | 0   | 550000   | 4.586   |
| 7.     | Vincent Commercial Co Ltd                       | Not applicable as it is a listed at The Calcutta Stock Exchange Ltd (CSE) | 0   | 550000   | 4.586   |
|        | <b>Total</b>                                    |   | <b>0</b>  | <b>3800000</b>                                     | <b>31.685</b>   |

(xii) Proposed time within which allotment shall be completed:

In accordance with ICDR Regulations, the Board proposes to allot the Equity Shares within a period of 15 (fifteen) days of the date of passing of resolution at AGM or within a period of 15 days of receipt of approval from regulatory authority whichever is later.

(xiii) No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

The Company has not allotted any securities during the financial year 2019-20.

(xiv) Consequential Changes in the Voting Rights:

Voting Rights will change in tandem with the shareholding pattern.

(xv) Lock-in:

The aforesaid allotment of Equity Shares shall be subject to lock-in as per Regulation 167 (1) of the ICDR Regulations. Further, the entire Pre-Preferential allotment shareholding of all the proposed allottees, if any, shall also be under lock-in from the relevant date up to a period of six months from the date of the trading approval received from the Stock Exchanges as specified under Regulation 167(6) of the ICDR Regulations.

**(xvi) Change in the control, if any, in the Company that would occur consequent to the preferential offer**

Subsequent to the proposed issue of Equity shares on preferential basis, there will neither be a change in control nor a change in the management of the Company. However, there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the issue of Equity Shares.

**(xvii) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Not Applicable.

**(xviii) Undertakings:**

- a) The Issuer Company undertakes that they shall re-compute the price of the Equity Shares issued in terms of the SEBI (ICDR) Regulations, 2009, where it is required to do so.
- b) The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2009, the equity shares shall continue to be locked-in till the time such amount is paid by the allottees.
- c) During the period, the Company has not issued any securities on preferential basis or Private Placement basis other than mentioned above.
- d) The Issuer Company has not issued any securities for consideration other than cash; hence Valuation Report of the Registered Valuer is not applicable.

**Auditor's Certificate:**

A copy of the certificate from the Statutory Auditors of the Company, certifying that the issue of the Equity Shares is being made in accordance with the requirement of ICDR Regulations, for Preferential Issue, will be available for inspection at the Registered Office of the Company during 10.00 A.M. to 6.00 P.M. on any working day up to the date of Annual General Meeting and at the meeting.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in the said resolution except to the extent of their respective shareholding in the Company and also to the extent of fresh equity shares being allotted either to them or to the companies in which they are interested as Director or Shareholder.

The Board of Directors believes that this Offer will be in the best interest of the Company and its shareholders. Your Directors recommend the Special Resolution for the approval of Members.

**Item No. 8 and 9**

Section 180(1)(c) of the Companies Act, 2013 provides that the Board of Directors of a company may borrow funds in excess of the aggregate of the paid up share capital and free reserves, subject to approval of the members of the Company by a special resolution. The Board may be required to borrow funds from various entities (natural or artificial) from time to time for meeting Company's operational and/ or short/ long term fund requirements (whether by way of advances, loans, issue of debentures/ bonds and/or other instruments or otherwise), and the aggregate of such outstanding borrowings, apart from the temporary loans borrowed from bankers of the Company in the ordinary course of business, may exceed the aggregate of the paid-up share capital and free reserves of the Company, for the time being of the Company. Hence, it is proposed to obtain approval of the members of the Company by way of special resolution for borrowing funds up to Rs. 35,00,00,000 (Rupees Thirty Five Crore only) and necessary delegation of authority to the Board for this purpose. The proposed borrowings, may in certain cases, be secured by charges, mortgages and hypothecations of properties/ assets, both present and future, of the Company and may attract the provisions of Section 180(1)(a) of the Companies Act, 2013 and hence it is considered appropriate to obtain members approval by way of special resolution under the provisions of said section.

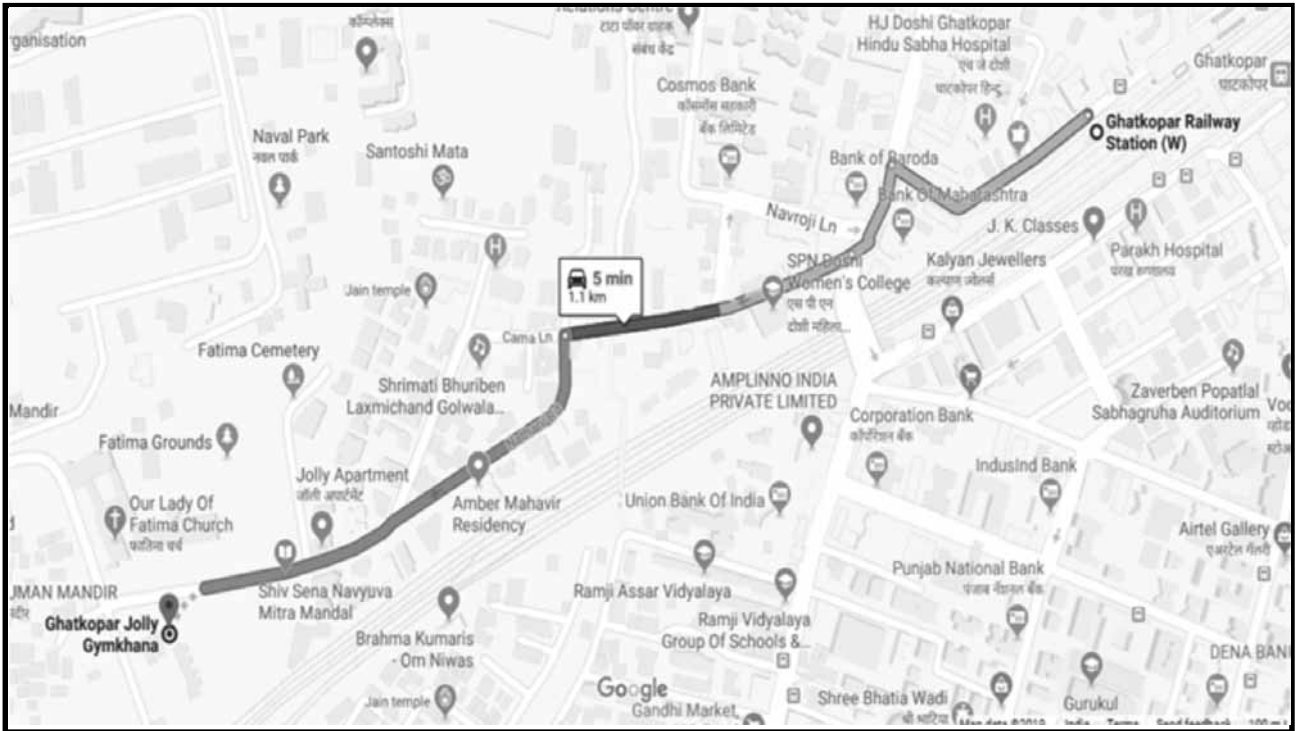
Your Directors recommend the resolutions set out at item no. 8 and 9 to be passed as special resolutions by the members.

None of the Promoter, Directors, Key Managerial Personnel of the Company and none of their relatives are deemed to be concerned or interested financially or otherwise in the said resolutions.

**Additional Information of Directors recommended for appointment/re-appointment in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2):**

|   |  |
|---|--|
| <b>Name of Director</b>   | Mr. Arvind Bhanushali  |
| Date of birth / Age   | 20th April, 1963/ 54 years   |
| <b>Qualification</b>  | B.com  |
| <b>Expertise in specific functional areas</b>   | Finance, banking, Corporate re-structuring, capital market   |
| Date of appointment on the Board  | 30/05/2016   |
| Terms and conditions of appointment/appointment along with details of remuneration sought to be paid and remuneration last drawn by such person | Appointed as executive director, liable to Retire by rotation.<br>No remuneration drawn by Mr. Arvind Bhanushali.  |
| Directorship held in other Companies  | <ul style="list-style-type: none"> <li>• Yash-Raj Diagnostics Pvt. Ltd</li> <li>• Yashraj Biotechnology Limited</li> <li>• CFM Advisors Private Limited</li> <li>• CFM Asset Reconstruction Private Limited</li> <li>• Aspira Diagnostics Private Limited</li> <li>• Chartered Finance Management Limited</li> </ul> |
| Chairmanship/Membership in committees of other boards   | <ul style="list-style-type: none"> <li>• Chairman of Yashraj Biotechnology Limited</li> <li>• Member of Audit Committee of Yashraj Biotechnology Limited</li> </ul>  |
| Shareholding in the Company   | 11.27%   |
| Relationship with other Directors KMP of the Company  | None   |
| Number of meetings of the Board attended during the financial year 2018-19.   | 5  |

AGM MEETING RUOTE MAP





**DIRECTOR'S REPORT**

Dear Members,

Your Directors have pleasure in presenting 46<sup>th</sup> Annual Report on the Business and operations of the Company together with the Audited Statement of Accounts for the year ended **March 31, 2019**.

**FINANCIAL RESULTS**

The financial performance of your Company for the year ended March 31, 2019 is summarized below:

Rs. In Lakhs

| Particulars                  | 2018-19  | 2017-18  |
|------------------------------|----------|----------|
| Revenue from operations      | 763.71   | 435.78   |
| Other Income                 | 25.32    | 22.05    |
| Total Income                 | 789.03   | 457.83   |
| Total Expenses               | 1307.31  | 1016.05  |
| Profit/(Loss)Before Tax      | (518.28) | (558.23) |
| Tax                          | 0.01     | -        |
| Current Tax                  | -        | -        |
| Deferred Tax                 | -        | -        |
| Net Profit /(Loss) After Tax | (518.29) | (558.23) |

**FINANCIAL PERFORMANCE**

During the year under review the total income of the Company is Rs. 789.03 lakhs as compared to Rs. 457.83 7 in previous year and loss Reduced to Rs. 518.28 lakhs as compared to Rs. 558.23 lakhs in last year. As the Company has started its pathology business since last two years only, it will take time to break even and earn profit. The Company has set up state of art facility for diagnostic centre, which requires heavy capital & working expenditure, whereas its area of operation is limited to Mumbai & Thane, hence loss has increased. Company will be expanding its area of operation & conducting more test which will generate more revenue leading to more cash profit.

**DIVIDEND:**

Your directors do not recommend any dividend in the absence of distributable surplus.

**TRANSFER TO RESERVE:**

During the year under review, no amount has been transferred to the General Reserve of the Company.

**SHARE CAPITAL**

During the year, the authorised share capital of the Company has increased from Rs.10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- (Rupees Ten) each to Rs.35,00,00,000/- (Thirty-Five Crores) divided into 2,00,00,000 (Two Crores) Equity shares of Rs. 10/- each and 1,50,00,000 (One Crore Fifty Lakh) 9% Non-Cumulative, Non- convertible, Non-Participating Redeemable Preference Shares of Rs. 10 (Rupees Ten) each and issued, subscribed and paid- up capital of the of the Company has increased from 5,19,30,000 (Five Crores Nineteen Lakhs Thirty Thousand) to Rs. 13,69,30,000/- (Thirteen Crores Sixty Nine Lakhs Thirty Thousand) divided into 81,93,000 (Eighty one lakhs Ninety three

thousand) Equity Shares of Rs. 10/-(Rupees Ten) each and 55,00,000 (Fifty Five Lakhs) 9% Non-Cumulative, Non-convertible, Non-Participating Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report, as required under Regulation 34 of the Listing Regulations, forms part of the Annual Report is attached herewith marked as Annexure - I.

**SUBSIDIARY/JOINT VENTURES/ASSOCIATES COMPANIES:**

The Company does not have any subsidiary/ joint venture or associate Company.

**ACCEPTANCE OF FIXED DEPOSITS:**

The Company has not accepted any Fixed Deposits from general public within the purview of Section 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rule, 2014, during the year under review.

**PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY:**

All transactions with related parties were reviewed and approved by the Audit Committee.

All related party transactions entered into during FY 2018-19 were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the Company's website.

There are no transactions to be reported in Form AOC-2.

**PARTICULARS OF LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY:**

Particulars of Investment made/loan given under section 186 of the Companies Act, 2013 are provided in the financial statement.

**ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the Auditor of the Company for inefficiency or inadequacy of such controls.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

The Company has got delisting approval from Metropolitan Stock Exchange of India Limited and Calcutta Stock Exchange Limited w.e.f. April 12, 2018 and October 15, 2018 respectively.

**APPOINTMENT OF M/S. SHAREX DYNAMICS (INDIA) PVT. LTD AS THE REGISTRAR AND TRANSFER AGENT OF THE COMPANY.**

The Company has appointed M/S. Sharex Dynamics (India) Pvt. Ltd as Registrar and Transfer Agent (RTA) of the Company in place of Niche Technology Limited.

**PARTICULARS OF EMPLOYEES**

The information required in terms of Section 197 (12) of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 for the year ended March 31, 2019 is provided as Annexure II to this Report.

**DIRECTORS****a) RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Arvind Bhanushali, (DIN:00011903) Executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The aforesaid re-appointment, with a brief profile and other related information of Mr. Arvind Bhanushali, forms part of the Notice convening the ensuing Annual General

Meeting and the Directors recommend the same for your approval.

**b) RESIGNATION OF DIRECTOR**

Dr. Paresh Bhanushali, Executive Director of the Company, resigned from the service of the Company with effect from October 27, 2018 and Dr. Chander Puri, CEO and Executive Director of the Company, resigned w.e.f March 31, 2019. The Board of Directors placed on record their sincere appreciation for the contribution made by Dr. Paresh Bhanushali and Dr. Chander Puri.

**c) APPOINTMENT OF DIRECTORS**

The Board of Directors of the Company have appointed Dr. Haseeb Drabu as Additional Independent Directors with effect from October 27, 2018, who shall hold office till the date of ensuing Annual General Meeting, unless reappointed by the shareholders.

**d) INDEPENDENT DIRECTORS**

In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and the Listing Regulations.

**e) KEY MANAGERIAL PERSONNEL (KMP)**

Pursuant to the provisions of Section 2(51) and Section 203 of the Act, following are the KMP of the Company.

1. Dr. Pankaj Shah, Managing Director
2. Dr. Chander Puri- CEO & Executive Director (Resigned w.e.f March 31, 2019)
3. Mr. Balkrishna Talawadekar- CFO (Resigned w.e.f May 18, 2019)
4. Mr. Prahlad Bhanushali – Chief Financial Officer (Appointed w.e.f May 19, 2019)
5. Ms. Mamta Mav- Company Secretary

**f) MANNER OF FORMAL EVALUATION OF BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

During the year under review, performance evaluation

of the Board as a whole and that of its Committees and Individual Directors have been carried out as per the provisions of the Companies Act, 2013. All Independent Directors of the Company at their meeting held on May 18, 2019 have evaluated the performance of the Board as a whole, Committees of Board, the Chairman of the Company and the Non Independent Directors as per the criteria adopted by the Board. The performance evaluation of the Board was based on various parameters such as qualification of Board Members, their diversity of experience and background, whether the Members of the Board met all applicable independence requirements, sufficient number of Board meetings and Committee meetings etc. The performance of the individual Directors was evaluated on parameters such as qualifications, experience, independence, participation in Board Meetings and Committee Meetings, etc. The evaluation of the Independent Directors was carried out by the entire Board excluding the Independent Director being evaluated.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**REMUNERATION POLICY**

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration policy, providing criteria for determining qualifications, positive attributes, independence of a Director and a policy on remuneration for Directors, key managerial personnel and other employees. The detailed Remuneration policy is placed on the Company's website.

**STATUTORY AUDITORS:**

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, the current auditors of the Company, M/s. P Khetan & Co., Chartered Accountants, Kolkata, hold office up to the conclusion of the ensuing Annual General Meeting of the Company.

**AUDITORS REPORT**

The observations and comments furnished by the Auditors in their report read together with the notes to Accounts are self-

explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

#### **INTERNAL AUDITORS**

Based on the recommendation of the Audit Committee of the Company, the Board of Directors of the Company had appointed M/s. CNK & Associates LLP as the Internal Auditors of the Company.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the requirement of Section 134 of the Companies Act, 2013, the Board of Directors of the Company confirms:

1. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors 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 at the end of the financial year and of the profit and loss of the Company for the year ended 31<sup>st</sup> March, 2019.
3. That the Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting material fraud and other irregularities.
4. That the Directors have prepared the Annual Accounts on a going concern basis.
5. There are no material changes & commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate & the date of the report.
6. There are proper systems have been devised to ensure compliance with the provisions of all applicable laws

and that such systems were adequate and operating effectively.

7. That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
8. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

#### **RISK MANAGEMENT POLICY**

The Risk Management policy of the Company lays down the framework of Risk Management promoting a proactive approach in reporting, evaluating and resolving risks associated with the business. Mechanisms for identification and prioritisation of risks include scanning the business environment and Internal risk factors. Identified risks are used as one of the key inputs for the development of strategy and business plan.

#### **SECRETARIAL AUDIT REPORT**

A Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2019 in prescribed form duly audited by the Practicing Company Secretary, Santoshkumar K Pandey, Mumbai is annexed herewith as annexure III and forming part of the report.

#### **PREVENTION OF INSIDER TRADING**

Your Company has adopted the "Code of Conduct on Prohibition of Insider Trading" and "Code for fair disclosure of Unpublished Price Sensitive Information" for regulating the dissemination of Unpublished Price Sensitive Information and trading in securities by insiders. The said codes are also available on the website of the Company.

**EXTRACT OF ANNUAL RETURN**

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report as Annexure – IV.

**CORPORATE GOVERNANCE**

Corporate Governance is essentially a system by which companies are governed and controlled by the management under the direction and supervision of the board in the best interest of all stakeholders. Your Company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering to best Corporate Governance Practices.

The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company has set itself the objective of expanding its capacities. As a part of its growth strategy, it is committed to high levels of ethics and integrity in all its business dealings that avoid conflicts of interest. In order to conduct business with these principles, the Company has created a corporate structure based on business needs and maintains a high degree of transparency through regular disclosures with a focus on adequate control systems.

However, as per provisions of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, providing a separate report on Corporate Governance under Regulation 27 (2) is not applicable to the Company.

**BOARD OF DIRECTORS:****a) COMPOSITION AND CATEGORIES OF DIRECTORS**

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the Companies Act, 2013. The composition of the Board of Directors consisted of an optimum combination of Executive and Non-Executive Directors and an optimum representation of Independent Directors.

| <b>Name of Director</b> | <b>Category</b>  |
|-------------------------|--|
| Mr. Avinash Mahajan     | Chairman & Independent Director (Resigned as chairman w.e.f May 18, 2019)            |
| Dr. Haseeb Drabu        | Independent Director (w.e.f. October 27, 2018) and Chairman (w.e.f May 18, 2019)     |
| Dr. Pankaj Shah         | Managing Director  |
| Dr. Chander Puri        | CEO & Executive Director (resigned w.e.f March 31, 2019)                             |
| Mr. Arvind Bhanushali   | Promoter & Executive Director  |
| Dr. Paresh Bhanushali   | Promoter & Executive Director (Resigned as excutive Director w.e.f October 27, 2018) |
| Mrs. Mangala Prabhu     | Independent Director   |
| Ms. Vandana Bhansali    | Independent Director   |
| Dr. Subhash Salunke     | Independent Director   |
| Dr. Abhay Chowdhary     | Independent Director   |

**b) ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING (“AGM”):-**

5 (five) meetings of the Board of Directors were held during the financial year 2018-19 i.e. on 21st April 2018, 29<sup>th</sup> May 2018, 11<sup>th</sup> August, 2018, , 27<sup>th</sup> October, 2018 and 21st January 2019.

The attendance record of all Directors is as under:

| Name of Director  | No. of Board Meeting  |          | Attendance at last AGM held on 29 <sup>th</sup> September, 2018 |
|---|-----------------------|----------|---|
|   | Eligibility to attend | Attended |   |
| Mr. Avinash Mahajan   | 5                     | 5        | No  |
| Dr. Pankaj Shah   | 5                     | 5        | Yes   |
| Dr. Chander Puri  | 5                     | 4        | Yes   |
| Mr. Arvind Bhanushali   | 5                     | 5        | No  |
| Dr. Paresh Bhanushali<br>(Resigned w.e.f. 27 <sup>th</sup> October, 2018) | 3                     | 3        | No  |
| Mrs. Mangala Prabhu   | 5                     | 5        | Yes   |
| Ms. Vandana Bhansali  | 5                     | 2        | No  |
| Dr. Subhash Salunke   | 5                     | 4        | No  |
| Dr. Abhay Chowdhary   | 5                     | 3        | No  |
| Dr. Haseeb Drabu (Appointed w.e.f October 27, 2018)                       | 2                     | 1        | NA  |

#### COMMITTEES OF THE BOARD:

The Board of Directors has constituted various statutory committees comprising of Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable statutes, rules and regulations applicable to the Company from time to time. The Committees also focus on critical functions of the Company in order to ensure smooth and efficient business operations. The Board of Directors is responsible for constituting, assigning, co-opting and fixing the terms of reference of these committees in line with the extant regulatory requirements. The Committees meets at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation.

Currently, the Board of Directors has the following committees, viz.

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholders' Relationship Committee

#### The Audit Committee of the Company Comprises of following as members

| Sr. No. | Name of Director      | Designation in the committee |
|---------|-----------------------|------------------------------|
| 1.      | Mrs. Mangala Prabhu   | Chairperson                  |
| 2.      | Mr. Avinash Mahajan   | Member                       |
| 3.      | Ms. Vandana Bhansali  | Member                       |
| 4.      | Mr. Arvind Bhanushali | Member                       |



**The Nomination and Remuneration Committee of the Company Comprises of following as members**

| Sr. No. | Name of Director     | Designation in the committee |
|---------|----------------------|------------------------------|
| 1.      | Ms. Vandana Bhansali | Chairperson                  |
| 2.      | Mr. Avinash Mahajan  | Member                       |
| 3.      | Mrs. Mangala Prabhu  | Member                       |

**The Stakeholders Relationship Committee of the Company Comprises of following as members**

| Sr. No. | Name of Director      | Designation in the committee |
|---------|-----------------------|------------------------------|
| 1.      | Mrs. Mangala Prabhu   | Chairperson                  |
| 2.      | Mr. Arvind Bhanushali | Member                       |
| 3.      | Mr. Avinash Mahajan   | Member                       |

#### **CODE OF CONDUCT**

Regulations 17(5) of the SEBI (LODR) Regulations, 2015, requires listed Companies to lay down a Code of Conduct for its Directors and Senior Management, incorporating duties of a Directors as laid down in the Companies Act, 2013. The Board has adopted a Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on Company's website at [www.aspiradiagnostics.com](http://www.aspiradiagnostics.com)

#### **WHISTLE BLOWER POLICY AND VIGIL MECHANISM**

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Protected disclosures can be made by a whistleblower through several channels. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility Committee is not applicable to the Company as the Net Profit of the Company is below the threshold limit prescribed by the Companies Act, 2013.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information relating to the conservation of energy, technology absorption foreign exchange earnings and outgo under provisions of 134 of the Companies Act, 2013 is appended as Annexure V to this report.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

**INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has formed a Committee to redress complaints received regarding sexual harassment. During the year under review, no such complaints have been filed with the Committee.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events during the year under review:

- a) Change in nature of Company's business
- b) No material fraud has been reported by the Auditors to the Audit Committee of the Board.

**APPRECIATION**

Your Directors wish to place on record their appreciation for the dedicated services of the employees of your Company at all levels. Further, the Directors would also like to express their gratitude for the continued support of all the stakeholders and last, but not the least our valued Members, for all their support and trust reposed in the Company.

**FOR ASPIRA PATHLAB & DIAGNOSTICS LIMITED****SD/-****Dr. Pankaj J Shah  
Managing Director****DIN :- 02836324****SD/-****Arvind K Bhanushali  
Director****DIN: 00011903****Place: Mumbai****Date: 20/07/2019**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Structure of Diagnostic Industry

The healthcare sector in India is poised for growth and it is expected to reach \$280 Billion by 2020. Major contributing factors for this growth are sustained high rate of GDP, rising income levels, greater health awareness, larger incidence of lifestyle diseases (NCDs) and Government's initiatives like PMJAY. Improved access to insurance is also bridging the gap in healthcare financing.

The Government of India approved the continuation of National Health Mission with a budget of 31,745 crore as announced in the Union Budget 2019- 20. The Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY), the largest Government funded healthcare program targeting more than 500 million beneficiaries, was allocated 6,400 crore in Union Budget 2019-20.

The Indian Diagnostic Industry is highly fragmented. It is highly unorganized. As per CRISIL report, standalone labs constitute 48% of the market and hospital-based labs make up for 37%, thereby amounting to a combined cover of 85% of the entire diagnostic market. Diagnostic chains cover close to 15% of the overall diagnostic market, of which, pan-India chains cover 35-40%, with the balance 60-65% managed by regional chains. The regional labs lack professional management and systems. The pan India lab are unable to provide the personalized service that a customer expects. This provides good opportunities for players such as Aspira Pathlab to create a separate segment that can blend the good of the two worlds.

Following key trends are expected to drive sector growth in the ensuing years:

- Ageing Population: The population cohort above 65 years old is growing at 4%-4.5% p.a. in India. This population has seen the good period of Indian economy from late 90s and are therefore more health conscious.
- Rising Income: The rural population income is expected to move up to US\$1,500-\$2,000 and this provides opportunity for growth.
- Preventive Testing: The NCDs are on the rise and many awareness programs are emphasizing preventive healthcare.

### Opportunities and Threats

The growth opportunities for a good diagnostic service provider is immense as enumerated earlier. However, there are many low cost labs and aggregators coming into the market. The aggregators are focused on building a digital platform and engaging with the customers. These developments can impact Aspira by impacting margins.

### Outlook

Aspira is focused on evidence based healthcare. More and more Doctors are also relying on diagnostic reports before prescribing therapy. Therefore, it is important to engage with the Doctors by adopting various digital technologies.

The switch from a local and a national lab to a regional lab which is also able to personalize services is evident.

### Risk and concerns

#### Competition and pricing

The entry barrier is very low in the diagnostic labs segment. Therefore, many small labs come into the market every year. This puts pressure on the pricing of established players since they have much larger overheads. Trust, transparency and empathy would be important drivers to engage with the customers. Aspira is continuously working towards building its brand around

these core values. Aspira has fully supported Government's mandate for pricing for TB, Malaria etc.

The aggregators are going to increase their market share by offering a range of services and providing pricing options to the customers. However, Aspira has its own labs and therefore unlike the aggregators we stand committed to reliable reports. Aspira follows regulations and offers better service levels.

#### Network of labs

Aspira is focused on establishing itself as a strong regional player before scaling up its operations. Although we follow an asset light model, other costs are significantly high. Most of these cost are fornt ended and the payback period is high. We are therefore working on building the right systems and aggressively optimise the cost. We are adopting new technologies that would improve customer experience. Some of these are use of Chatbot, improving website, implementing patient engagement platform etc.

#### Financials Summarised Profit & Loss Statement

(Rs. In Lakhs)

| Particulars   | FY 2019  | FY 2018  |
|---|----------|----------|
| Income  |          |          |
| Revenue from Operations   | 763.71   | 435.78   |
| Other Income  | 25.32    | 22.05    |
| Total Income  | 789.03   | 457.83   |
| Expenses  |          |          |
| Cost of Material consumed   | 225.59   | 130.18   |
| Employee Cost   | 447.36   | 342.38   |
| Other Costs   | 415.47   | 350.56   |
| Total expenditure   | 1088.42  | 823.12   |
| Earnings before interest, tax, depreciation and amortisation (EBITDA) | (299.39) | (365.29) |
| Finance Cost  | 96.07    | 80.48    |
| Depreciation and amortization   | 122.84   | 112.46   |
| Profit before tax and exceptional item                                | (518.29) | (558.23) |
| Exceptional items   | 0        | 0        |
| Profit before tax   | (518.29) | (558.23) |
| Tax expense   | 0        | 0        |
| Profit after tax  | (518.29) | (558.23) |

During the year under review the total income of the Company has increased to Rs. 789.03 lakhs as compared to previous year of Rs. 457.83 lakhs. Total expenses of the Company were Rs. 1307.33 lakhs as compared to previous year of Rs. 1016.06 lakhs. Loss of the Company stood at Rs. 518.29 lakhs as compared to previous year loss of Rs. 558.23 lakhs.

**Key Financial Ratio**

| Particulars              | FY2019  | FY2018    | Remarks  |
|--------------------------|---------|-----------|--|
| Debtors Turnover Ratio   | 9.59    | 12.28     | It has improved due to better management of Inventory                          |
| Inventory Turnover Ratio | 8.05    | 3.52      | It has improved due to better management of receivables                        |
| Current Ratio            | 0.55    | 1.09      | It has decreased due to loss.  |
| Operating Profit Margin  | (67.86) | (128.10)  | Ratios are in negative however there is improvement due to increase in Revenue |
| Net Profit Margin        | (67.86) | (128.10)  | Ratios are in negative however there is improvement due to increase in Revenue |
| Return on Net Worth      | (99.83) | (1667.35) | It is due to increase in Shareholder equity                                    |

**Strategy for growth**

Aspira is executing the following strategy for growth:

- Create unique customer experience by personalising the offering and augmenting it with digital technologies.
- Strengthen the network of Doctors in the target areas
- Develop unique solutions for specialized segments like athletes, corporates etc.
- Associate with local labs that are threatened by the presence of collection centres of large labs.
- Expand menu and services
- Develop specialized, personalised health packages.

**Internal Control systems and their adequacy**

Company's Internal Financial Controls effecting the financial statements are adequate and are operating effectively. During the financial year under review, the financial controls are tested for operating effectiveness through ongoing management monitoring and review process and independently by the Internal Audit Function and no reportable material weakness in the design or operation was observed.

**Human Resources**

Aspira is a new age lab. Human resources are the key to performance. As of March 31, 2019, the company has 83 employees on its payrolls. The focus during the year has been around enhancing the productivity of the workforce and increasing the sales team. The growth in business was achieved with marginal increase in workforce strength. This was achieved by active redeployment of resources, introducing multi-taskers and job enlargements. The Company has also invested in information technology solution for sales force automation and logistics automation thus aiding employee productivity.

**FOR ASPIRA PATHLAB & DIAGNOSTICS LIMITED**

SD/-

Dr. Pankaj J Shah  
Managing Director

DIN :- 02836324

SD/-

Arvind K Bhanushali  
Director

DIN: 00011903

Place: Mumbai

Date: 20/07/2019

## Annexure II

**DISCLOSURE OF MANAGERIAL REMUNERATION**

[Pursuant to Section 197 of the Companies Act, 2013 ('Act') and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 2018-19 as well as the percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary is as under:**

| <b>Name of Director/Key Managerial Personnel</b>    | <b>Ratio to median remuneration</b> | <b>% increase in remuneration over previous year</b> |
|---|-------------------------------------|--|
| Dr. Pankaj Shah (Managing Director)                 | <b>34.55</b>                        | <b>15.95</b>   |
| Dr. Chander Puri (CEO and Executive Director)       | <b>18.06</b>                        | <b>57.16</b>   |
| <b>Key Managerial Personnel</b>                     |                                     |  |
| Mr. Balkrishna Talawadekar, Chief Financial Officer | -                                   | <b>16.60</b>   |
| Ms. Mamta Mav, Company Secretary                    | -                                   | <b>266.23</b>  |

**B. Percentage increase in the median remuneration of employees in the FY 2018-19: 89.86**

**C. Number of permanent employees on the rolls of the Company as on 31 March, 2019: 83**

**D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:**

|   | <b>% Change in remuneration</b> |
|---|---------------------------------|
| Average increase in salary of employees (other than managerial personnel) | 29.46                           |
| Average increase in remuneration of managerial personnel                  | 29.78                           |

**E. Affirmation:**

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

**FOR ASPIRA PATHLAB & DIAGNOSTICS LIMITED**

|                          |                            |
|--------------------------|----------------------------|
| <b>SD/-</b>              | <b>SD/-</b>                |
| <b>Dr. Pankaj J Shah</b> | <b>Arvind K Bhanushali</b> |
| <b>Managing Director</b> | <b>Director</b>            |
| <b>DIN :- 02836324</b>   | <b>DIN: 00011903</b>       |

**Place: Mumbai**

**Date: 20/07/2019**

## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2019

[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,

**Aspira Pathlab & Diagnostics Limited**

Flat NO. 2, R.D. Shah Bldg., Shradhanand Road

Opp. Ghatkopar Railway Station, Ghatkopar (West)

Mumbai-400086.

CIN: L85100MH1973PLC289209

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

Based on my verification of the **Aspira Pathlab & Diagnostics Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019**, 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 **Aspira Pathlab & Diagnostics Limited** ("the Company") for the financial year ended on **31<sup>st</sup> March, 2019**, according to the

provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Applicable to the Company during the Audit Period as Annual Disclosure and event-based Disclosure has been made by the Company from time to time;**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 – **Applicable to the Company during the Audit period as event-based disclosure has been made by the Company from time to time;**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Applicable to the Company during the Audit Period as Company has issued 30,00,000 Equity shares on Preferential basis to Promoter and Non-Promoter of the Company;**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable to the Company during the Audit Period;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -

**Not Applicable to the Company during the Audit Period;**

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable to the Company during the Audit Period;**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Applicable to the Company as it has made voluntary delisting process at CSE Limited & MSEI Limited;** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable to the Company during the Audit Period;**
- vi. The management has identified and confirmed about following other laws as specifically applicable to the Company & they have complied with most of the Rules & Regulations specified in the Acts.
1. Bombay Shops & Establishment Act, 1948.
  2. Employee's provident fund & Misc. Provisions Act, 1952.
  3. Employees State Insurance Act, 1948.
  4. Minimum Wages Act, 1948
  5. Payment of Bonus Act, 1956
  6. Payment of Gratuity Act, 1972
  7. Income Tax Act, 1961
  8. Labor Laws
  9. GST Laws
  10. Environment Protection Act, 1986
  11. Professional Tax Act, 1976
  12. Pre-conception and Pre-natal Diagnostics Technique Act 1994

13. Indian Atomic Energy Act 1962 & Atomic Energy (Radiation Protection) Rules 2004.

14. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India
- b. The Listing Agreements entered into by the Company with BSE Limited; CSE Limited & MSEI Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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;



1. The Company has filed certain Forms with ROC with delay fees during the year 2018-2019.
  2. The Companies securities were delisted from Metropolitan Stock exchange of India Limited (MSEI) on 12<sup>th</sup> April, 2018 vide Notice No: MSE/LIST/6133/2018 dated 22/03/2018.
  3. The Companies securities were delisted from The Calcutta Stock Exchange Limited i.e. 15<sup>th</sup> October, 2018 vide Notice No: CSE/LD/14427/2018 dated 12/10/2018.
  4. The Company has postponed its Extra Ordinary General Meeting (EOGM) to be held on 24/05/2018 due to Change in Registrar and Transfer Agent and the same was held on 31/07/2018.
  5. The Company has appointed Sharex Dynamic (India) Private Limited on 26<sup>th</sup> February, 2018 in the place on Niche Technology Private Limited as its Share Transfer Agent.
  6. The Company has acquired running business of Om Diagnostics Laboratory Private Limited based in Chembur (Mumbai) for a consideration of 2 Crores & all the formalities of acquisition were completed.
  7. The Company has allotted 9% Non-cumulative, Non-convertible, Non-Participating Redeemable Preference shares to Yashraj Biotechnology Limited on 24/08/2018.
  8. The Company has increased Authorized share capital in its EGM held on 31<sup>st</sup> July, 2018 from 10,00,00,000 (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10 (Rupees Ten) each increased to Rs. 35,00,00,000 (Rupees Thirty-Five Crores) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10 (Rupees Ten) each and 1,50,00,000 (One Crore Fifty Lakhs) 9% Non- Cumulative Non-convertible, Non-Participating Redeemable Preference Shares of Rs.10 (Rupees Ten) each.
  9. The Company has issued 30,00,000 Equity shares of Rs. 10/- each on Preferential basis to Promoters and Non-promoters of the Company and allotment was made on 24/08/2018. The Company has received In-principle Approval from BSE Limited on 10<sup>th</sup> August, 2018, Listing Approval from BSE Limited on 05<sup>th</sup> October, 2018 and Trading Approval from BSE Limited on 28<sup>th</sup> December, 2018.
  10. There are certain Changes in the Key Managerial Personal due to appointment/re-classification of some of KMP.
  11. The Company has created charge on 04<sup>th</sup> June, 2018 with HDFC Bank bearing charge ID 100186823 of Rs. 50, 00,000.
  12. The Company has paid Annual Listing fees to Stock exchange/Depository during 2018-2019.
- I further report that during the audit period company has not done any corporate action, other than those mentioned above.

**SantoshKumar Pandey**  
**(Practicing Company Secretary)**

**ACS 8546 / C P No. 5484**

**Place: Mumbai**

**Date: 12-07-2019**

## Annexure IV

FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2019.

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014

## I. REGISTRATION &amp; OTHER DETAILS:

|  |  |
|--|--|
| CIN  | L85100MH1973PLC289209  |
| Registration Date  | 03rd July, 1973  |
| Name of the Company  | ASPIRAPATHLAB & DIAGNOSTICSLIMITED   |
| Category/Sub-category of the Company                                       | Company Limited by Shares/Indian Non Government Company  |
| Address of the Registered office & contact details                         | Flat NO.2 , R.D. Shah Bldg, Shraddhanand Road Opp. Ghatkopar Railway Station, Ghatkopar (West) Mumbai Mumbai City MH 400086 IN   |
| Corporate Office Address   | Plot No. 6, RPT House, Sector 24, Turbhe, Navi Mumbai- 400703  |
| Whether listed company   | YES  |
| Name, Address & contact details of the Registrar & Transfer Agent, if any. | Sharex Dynamic India Pvt.Ltd<br>Unit-1, Luthra Ind.Premises, 1st Floor,44-E, M Vasanti Marg,<br>Andheri-Kurla Rd, Safeed pool, Andheri East, Mumbai-400 072.<br>Contact- 022-22641376/22702485 |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

| Sr. No. | Name and Description of main Products / Services                  | NIC Code of the Product / Service | % to total turnover of the Company |
|---------|---|-----------------------------------|------------------------------------|
| 1       | Provider of Diagnostics and related healthcare tests and services | 869                               | 100%                               |

## III. PARTICULARS OF HOLDING, SUBSIDIARY &amp; ASSOCIATE COMPANIES: N.A

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

## i) Category-wise Share Holding :

| Category of Shareholders                              | No. of Shares held at the beginning of the year<br>[As on 31-March-2018] |          |                |                   | No. of Shares held at the end of the year<br>[As on 31-March-2019] |          |                |                   | % Change during the year |
|---|--|----------|----------------|-------------------|--|----------|----------------|-------------------|--------------------------|
|   | Demat  | Physical | Total          | % of Total Shares | Demat  | Physical | Total          | % of Total Shares |                          |
| <b>A. PROMOTERS</b>                                   |  |          |                |                   |  |          |                |                   |                          |
| 1 Indian  |  |          |                |                   |  |          |                |                   |                          |
| a) Individual / HUF                                   |  |          |                |                   |  |          |                |                   |                          |
| b) Central Government                                 | 1291000  | 0        | 1291000        | 24.86             | 2295595  | 0        | 2295595        | 28.02             | 3.16                     |
| c) State Government                                   |  |          |                |                   |  |          |                |                   |                          |
| d) Bodies Corporate                                   |  |          |                |                   |  |          |                |                   |                          |
| e) Banks / Financial Institutions                     | 1435800  | 0        | 1435800        | 27.65             | 1435800  | 0        | 1435800        | 17.52             | (10.13)                  |
| f) Any Other  |  |          |                |                   |  |          |                |                   |                          |
| <b>Sub-total (A)(1)</b>                               | <b>2726800</b>   | <b>0</b> | <b>2726800</b> | <b>52.509</b>     | <b>3731395</b>   | <b>0</b> | <b>3731395</b> | <b>45.54</b>      | <b>-6.969</b>            |
| 2 Foreign   |  |          |                |                   |  |          |                |                   |                          |
| a) NRIs - Individuals                                 |  |          |                |                   |  |          |                |                   |                          |
| b) Other - Individuals                                |  |          |                |                   |  |          |                |                   |                          |
| c) Bodies Corporate                                   |  |          |                |                   |  |          |                |                   |                          |
| d) Banks / Financial Institutions                     |  |          |                |                   |  |          |                |                   |                          |
| e) Any Other  |  |          |                |                   |  |          |                |                   |                          |
| Sub-total (A)(2)                                      | 0  | 0        | 0              | 0.000             | 0  | 0        | 0              | 0.000             | 0.000                    |
| Total Shareholding of Promoter<br>(A) = (A)(1)+(A)(2) | <b>2726800</b>   | <b>0</b> | <b>2726800</b> | <b>52.509</b>     | <b>3731395</b>   | <b>0</b> | <b>3731395</b> | <b>45.54</b>      | <b>-6.969</b>            |
| <b>B. PUBLIC SHAREHOLDING</b>                         |  |          |                |                   |  |          |                |                   |                          |
| (1) Institutions                                      |  |          |                |                   |  |          |                |                   |                          |
| a) Mutual Funds                                       |  |          |                |                   |  |          |                |                   |                          |
| b) Banks / Financial Institutions                     |  |          |                |                   |  |          |                |                   |                          |
| c) Central Governments                                |  |          |                |                   |  |          |                |                   |                          |
| d) State Governments                                  |  |          |                |                   |  |          |                |                   |                          |
| e) Venture Capital Funds                              |  |          |                |                   |  |          |                |                   |                          |
| f) Insurance Companies                                |  |          |                |                   |  |          |                |                   |                          |
| g) Foreign Institutional Investors (FII)              |  |          |                |                   |  |          |                |                   |                          |
| h) Foreign Venture Capital Funds                      |  |          |                |                   |  |          |                |                   |                          |
| i) Others (Specify)                                   |  |          |                |                   |  |          |                |                   |                          |
| Sub-total (B)(1)                                      | 0  | 0        | 0              | 0.000             | 0  | 0        | 0              | 0.000             | 0.000                    |
| (2) Non-Institutions                                  |  |          |                |                   |  |          |                |                   |                          |
| a) Bodies Corporate                                   | 120  | 1100     | 1220           | 0.022             | 301145   | 1100     | 302245         | 3.690             | 3.667                    |

| Category of Shareholders  | No. of Shares held at the beginning of the year<br>[As on 31-March-2018] |              |                |                   | No. of Shares held at the end of the year<br>[As on 31-March-2019] |              |                |                   | % Change during the year |
|---|--|--------------|----------------|-------------------|--|--------------|----------------|-------------------|--------------------------|
|   | Demat  | Physical     | Total          | % of Total Shares | Demat  | Physical     | Total          | % of Total Shares |                          |
| i) Indian   |  |              |                |                   |  |              |                |                   |                          |
| ii) Overseas  |  |              |                |                   |  |              |                |                   |                          |
| b) Individuals  |  |              |                |                   |  |              |                |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs 1 lakh           | 29235  | 56690        | 85925          | 1.655             | 21755  | 48090        | 69845          | 0.852             | (0.802)                  |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh | 2379055  | 0            | 2379055        | 45.813            | 4089515  | 0            | 4089515        | 49.915            | 4.102                    |
| c) Others Specify   |  |              |                |                   |  |              |                |                   |                          |
| 1. NRI  |  |              |                |                   |  |              |                |                   |                          |
| 2. Overseas Corporate Bodies  |  |              |                |                   |  |              |                |                   |                          |
| 3. Foreign Nationals  |  |              |                |                   |  |              |                |                   |                          |
| 4. Clearing Members   |  |              |                |                   |  |              |                |                   |                          |
| 5. Trusts   |  |              |                |                   |  |              |                |                   |                          |
| 6. Foreign Bodies - D.R.  |  |              |                |                   |  |              |                |                   |                          |
| Sub-total (B)(2)  | 2408410  | 57790        | 2466200        | 47.491            | 4412415  | 49190        | 4461605        | 54.46             | 6.969                    |
| Total Public Shareholding (B) = (B)(1)+(B)(2)                                     | 2408410  | 57790        | 2466200        | 47.491            | 4412415  | 49190        | 4461605        | 54.46             | 6.969                    |
| C. Shares held by Custodian for GDRs & ADRs                                       |  |              |                |                   |  |              |                |                   |                          |
| <b>GRAND TOTAL (A+B+C)</b>  | <b>5135210</b>   | <b>57790</b> | <b>5193000</b> | <b>100.000</b>    | <b>8143810</b>   | <b>49190</b> | <b>8193000</b> | <b>100.00</b>     | <b>0.000</b>             |

## ii) Shareholding of Promoter:

| Sr. No. | Shareholder's Name          | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % Change in shareholding during the year |
|---------|-----------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|         |                             | No. of Shares                             | % of total shares of the Company | % of shares Pledged / encumbered to total shares | No. of shares                       | % of total shares of the Company | % of shares Pledged / encumbered to total shares |  |
| 1.      | Yash Raj Biotechnology Ltd  | 1435800                                   | 27.649                           | 0.000  | 1435800                             | 17.525                           | 0.000  | -10.124                                  |
| 2.      | Arvind Karsandas Bhanushali | 585500                                    | 11.275                           | 0.000  | 885500                              | 10.808                           | 0.000  | -0.467                                   |
| 3.      | Deepali Arvind Bhanushali   | 585500                                    | 11.275                           | 0.000  | 885500                              | 10.808                           | 0.000  | -0.467                                   |
| 4.      | Bharat Tokarshi Dagma       | 60000                                     | 1.155                            | 0.000  | 60000                               | 0.732                            | 0.000  | -0.423                                   |
| 5.      | Geeta Paresh Bhanushali     | 0   | 0                                | 0  | 200000                              | 2.441                            | 0  | 0  |
| 6.      | Paresh Bhanji Bhanushali    | 60000                                     | 1.155                            | 0.000  | 260000                              | 3.173                            | 0.000  | 2.018                                    |
| 7.      | Raj Arvind Bhanushali       | 0   | 0                                | 0  | 4595                                | 0.056                            | 0  | 0  |
|         | <b>T O T A L</b>            | <b>2726800</b>                            | <b>52.509</b>                    | <b>0.000</b>                                     | <b>2726800</b>                      | <b>52.509</b>                    | <b>0.000</b>                                     | <b>0.000</b>                             |

## iii) Change in Promoters' Shareholding : (please specify, if there is no change)

| Sr. No. | Shareholder's Name   | Shareholding at the Beginning of the Year (01.04.2018) |                                | Date       | Reason           | Increasing/ Decreasing in shareholding | Cumulative Shareholding during the year |                                  |
|---------|--|--|--------------------------------|------------|------------------|--|---|----------------------------------|
|         |  | No. of Shares at the beginning /end of the Year        | % of the Shares of the company |            |                  |  | No. of shares                           | % of total Shares of the company |
| 1       | Arvind Karsandas Bhanushali<br>At the end of the year (31.03.2019)   | 585500   | 11.275                         | 24-08-2018 | Pref - Allotment | 300000                                 | 885500                                  | 10.808                           |
|         |  |  |                                |            |                  |  | 885500                                  | 10.808                           |
| 2       | Deepali Arvind Bhanushali<br>At the end of the year (31.03.2019)     | 585500   | 11.275                         | 24-08-2018 | Pref - Allotment | 300000                                 | 885500                                  | 10.808                           |
|         |  |  |                                |            |                  |  | 885500                                  | 10.808                           |
| 3       | Paresh Bhanji Bhanushali<br>At the end of the year (31.03.2019)      | 60000  | 1.155                          | 24-08-2018 | Pref - Allotment | 200000                                 | 260000                                  | 3.173                            |
|         |  |  |                                |            |                  |  | 260000                                  | 3.173                            |
| 4       | Bharat Dagha<br>At the end of the year (31.03.2019)                  | 60000  | 1.155                          | No Change  |                  |  | 60000                                   | 0.73                             |
| 5       | Yashraj Biotechnology Limited<br>At the end of the year (31.03.2019) | 1435800  | 27.649                         | No Change  |                  |  | 1435800                                 | 17.52                            |

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :

| Sr. No. | Name   | No. of Shares at the beginning of the Year (01.04.2018) | % of the Shares of the company | Date       | Increasing/ Decreasing in share holding | Reason              | Cumulative shares during the year | % of total Shares of the company during the year |
|---------|--|---|--------------------------------|------------|---|---------------------|-----------------------------------|--|
| 1.      | Rinku Vinod Bhanushali<br>At the end of the year(31.03.2019)         | 533500  | 10.273                         | 24-08-2018 | 300000                                  | Pref -<br>Allotment | 833500<br>833500                  | 10.173<br>10.173                                 |
| 2.      | Vinod Pradhan Bhanushali<br>At the end of the year(31.03.2019)       | 516000  | 9.936                          | No change  |   |                     | 516000                            | 6.298  |
| 3.      | Dhvani Vinod Bhanushali<br>At the end of the year(31.03.2019)        | 0   | 0                              | 24-08-2018 | 300000                                  | Pref -<br>Allotment | 300000<br>300000                  | 3.662<br>3.662                                   |
| 4.      | Vinod Pradhan Bhanushali - HUF<br>At the end of the year(31.03.2019) | 0   | 0                              | 24-08-2018 | 300000                                  | Pref -<br>Allotment | 300000<br>300000                  | 3.662<br>3.662                                   |
| 5.      | Pravin Laxmidas Mange<br>At the end of the year(31.03.2019)          | 12355   | 0.238                          | 24-08-2018 | 200000                                  | Pref -<br>Allotment | 212355<br>212355                  | 2.592<br>2.592                                   |
| 6.      | Krishna Pravin Mange<br>At the end of the year(31.03.2019)           | 0   | 0                              | 24-08-2018 | 200000                                  | Pref -<br>Allotment | 200000<br>200000                  | 2.441<br>2.441                                   |
| 7.      | Vinod Chandulal Mav<br>At the end of the year(31.03.2019)            | 8740  | 0.168                          | 24-08-2018 | 100000                                  | Pref -<br>Allotment | 108740<br>108740                  | 1.327<br>1.327                                   |
| 8.      | Vivek Mange<br>At the end of the year(31.03.2019)                    | 8600  | 0.166                          | 24-08-2018 | 100000                                  | Pref -<br>Allotment | 108600<br>108600                  | 1.326<br>1.326                                   |
| 9.      | Oonnikrishanan S Pillai<br>At the end of the year(31.03.2019)        | 0   | 0                              | 24-08-2018 | 100000                                  | Pref -<br>Allotment | 100000<br>100000                  | 1.221<br>1.221                                   |
| 10.     | Susheela Unnikrishnan<br>At the end of the year(31.03.2019)          | 77500   | 1.492                          | No change  |   |                     | 77500                             | 0.946  |

## v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | Shareholder's Name   | Shareholding at the Beginning of the Year       |                                | Date       | Reason           | Increasing/ Decreasing in shareholding | Cumulative Shareholding during the year |                                  |
|---------|--|---|--------------------------------|------------|------------------|--|---|----------------------------------|
|         |  | No. of Shares at the beginning /end of the Year | % of the Shares of the company |            |                  |  | No. of shares                           | % of total Shares of the company |
| 1       | Arvind Karsandas Bhanushali<br>At the end of the year (31.03.2019) | 585500  | 11.275                         | 24-08-2018 | Pref - Allotment | 300000                                 | 885500                                  | 10.808                           |
|         |  |   |                                |            |                  |  | 885500                                  | 10.808                           |
| 2       | Paresh Bhanji Bhanushali<br>At the end of the year (31.03.2019)    | 60000   | 1.155                          | 24-08-2018 | Pref - Allotment | 200000                                 | 260000                                  | 3.173                            |
|         |  |   |                                |            |                  |  | 260000                                  | 3.173                            |
| 3       | Pankaj Jashwant Shah<br>At the end of the year (31.03.2019)        | 500000  | 9.628                          | No change  |                  |  | 500000                                  | 6.10                             |
| 4       | BalaKrishna Talawadekar<br>At the end of the year (31.03.2019)     | 100   | 0.111                          | No change  |                  |  | 100                                     | 0.001                            |

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

| Particular   | Secured Loans excluding deposits | Unsecured Loans | Deposits      | Total Indebtedness |
|--|----------------------------------|-----------------|---------------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |               |                    |
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |               |                    |
| i) Principal Amount  | 428.90                           | 685.00          | 0.00          | 1113.9             |
| ii) Interest due but not paid                              | 0.00                             | 0.00            | 0.00          | 0.00               |
| iii) Interest accrued but not due                          | 0.00                             | 21.71           | 0.00          | 21.71              |
| <b>Total (i+ii+iii)</b>                                    | <b>428.09</b>                    | <b>706.71</b>   | <b>706.71</b> | <b>1135.61</b>     |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |               |                    |
| Addition   | 150.00                           | 137.85          | 0.00          | 287.85             |
| Reduction  | -38.79                           | -625.45         | 0.00          | -664.24            |
| <b>Net Change</b>  | <b>111.21</b>                    | <b>-487.70</b>  | <b>0.00</b>   | <b>-376.39</b>     |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |               |                    |
| i) Principal Amount  | 540.11                           | 196.12          | 0.00          | 736.24             |
| ii) Interest due but not paid                              | 0.00                             | 0.00            | 0.00          | 0.00               |
| iii) Interest accrued but not due                          | 0.00                             | 22.99           | 0.00          | 22.99              |
| <b>Total (i+ii+iii)</b>                                    | <b>540.11</b>                    | <b>219.12</b>   | <b>0.00</b>   | <b>759.23</b>      |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Rs. In Lakhs

| Sr. No. | Particulars of Remuneration   | Name of MD/ WTD/MANAGER/ EXECUTIVE DIRECTOR/ CEO |                  | Total Amt.   |
|---------|---|--|------------------|--------------|
|         |   | Dr. Pankaj Shah                                  | Dr. Chander Puri |              |
| 1       | Gross Salary  |  |                  |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 58.15  | 30.40            | 88.55        |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 0  | 0                | 0            |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | 0  | 0                | 0            |
| 2       | Stock Option related perquisites  | 0  | 0                | 0            |
| 3       | Sweat Equity  | 0  | 0                | 0            |
| 4       | Commission  | 0  | 0                | 0            |
|         | - as % of profit  |  |                  |              |
|         | - Others, specify...  |  |                  |              |
| 5       | Others, please specify  |  |                  |              |
|         | <b>Total (A)</b>  | <b>58.15</b>                                     | <b>30.40</b>     | <b>88.55</b> |

## B. Remuneration to other directors

| SN. | Particulars of Remuneration  | Name of Directors                       |                |                    |                 |                 |                 | Total       |
|-----|--|---|----------------|--------------------|-----------------|-----------------|-----------------|-------------|
|     |  | Haseeb Drabu (Appointed w.e.f 27/10/18) | Mangala Prabhu | Vandana Bhanushali | Avinash Mahajan | Subhash Salunke | Abhay Chowdhary |             |
| 1   | <b>Independent Directors</b>   |   |                |                    |                 |                 |                 |             |
|     | Fee for attending board / committee meetings<br>Commission<br>Others, please specify | 0.15                                    | 0.75           | 0.30               | 0.75            | 0.60            | 0.45            | 2.85        |
|     | <b>Total (1)</b>   | 0.15                                    | 0.75           | 0.30               | 0.75            | 0.60            | 0.45            | 2.85        |
| 2   | <b>Other Non-Executive Directors</b>   |   |                |                    |                 |                 |                 |             |
|     | Fee for attending board / committee meetings<br>Commission<br>Others, please specify |   |                |                    |                 |                 |                 |             |
|     | <b>Total (2)</b>   |   |                |                    |                 |                 |                 |             |
|     | <b>Total (B)=(1+2)</b>   | 0.15                                    | 0.75           | 0.30               | 0.75            | 0.60            | 0.45            | 2.85        |
|     | <b>Total (A)</b>   |   |                |                    |                 |                 |                 |             |
|     | <b>Total Managerial Remuneration</b>   | <b>0.15</b>                             | <b>0.75</b>    | <b>0.30</b>        | <b>0.75</b>     | <b>0.60</b>     | <b>0.45</b>     | <b>2.85</b> |



**C. Remuneration to Key Managerial Personal Other than MD/MANAGER/WTD**

Rs. In Lakhs

| SN  | Particulars of Remuneration   | Key Managerial Personnel                            |                                  |              |
|-----|---|---|----------------------------------|--------------|
|     |   | Chief Financial Officer<br>(Balkrishna Talawadekar) | Company Secretary<br>(Mamta Mav) | Total        |
| 1   | Gross Salary  | 6.88  | 3.37                             | 10.25        |
| (a) | Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |   |                                  |              |
| (b) | Value of perquisites u/s 17(2) Income-tax Act, 1961                             |   |                                  |              |
| (c) | Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |   |                                  |              |
| 2   | Stock Option related perquisites  |   |                                  |              |
| 3   | Sweat Equity  |   |                                  |              |
| 4   | Commission  |   |                                  |              |
| -   | as % of profit  |   |                                  |              |
| -   | Others, specify... Others, please specify                                       |   |                                  |              |
|     | <b>Total</b>  | <b>6.88</b>   | <b>3.37</b>                      | <b>10.25</b> |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

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

FOR ASPIRA PATHLAB &amp; DIAGNOSTICS LIMITED

 SD/-  
 Dr. Pankaj J Shah  
 Managing Director  
 DIN :- 02836324

 SD/-  
 Arvind K Bhanushali  
 Director  
 DIN: 00011903

 Place: Mumbai  
 Date: 20/07/2019

## Annexure V

**Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014****A. Conservation of Energy**

- i. the steps taken or impact on conservation of energy:

The operations of your Company are not energy-intensive. However, significant measures are being taken to reduce energy consumption by using energy efficient equipment. The Company has taken initiatives to conserve energy and consume less energy like Shutting off the lights when not in use.

- ii. the steps taken by the company for utilizing alternate sources of energy: Nil

- iii. the capital investment on energy conservation equipments: Nil

**B. Technology Absorption- Not Applicable**

The relevant particulars relating to technology absorption in terms of Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable as the Company is part of Service Industry and it does not have manufacturing operations.

The expenditure incurred on Research and Development: - Nil

**Foreign Exchange Earnings and Outgo:**

The Company has not earned nor spends foreign exchange during the year under review.

FOR ASPIRA PATHLAB & DIAGNOSTICS LIMITED

SD/-

Dr. Pankaj J Shah  
Managing Director

DIN :- 02836324

SD/-

Arvind K Bhanushali  
Director

DIN: 00011903

Place: Mumbai

Date: 20/07/2019

**CERTIFICATE ON FINANCIAL STATEMENTS**

The Members,

**Aspira Pathlab & Diagnostics Limited**

We, Directors of **Aspira Pathlab & Diagnostics Limited** hereby certify that:

1. We have reviewed the financial statements and the cash flow statements for the **financial year 2018-19** and to the best of my knowledge and belief:
  - a. These statements do not contain any materially untrue statement that might be misleading with respect to the statements made.
  - b. These financial statements and other financial information included in this report present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with current accounting standards, applicable laws and regulations and full explanations has been given for any material departure in compliance of Accounting Standards.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
4. We have disclosed to the Company's Auditor and Audit Committee of the Company, all significant deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies;
5. We have indicated to the Auditors and the Audit Committee:
  - a. Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
  - b. That there were no Instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.
6. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current Financial Year.

**FOR ASPIRA PATHLAB & DIAGNOSTICS LIMITED**

**SD/-**

**Dr. Pankaj J Shah**  
**Managing Director**  
**DIN :- 02836324**

**SD/-**

**Arvind K Bhanushali**  
**Director**  
**DIN: 00011903**

**Place: Mumbai**

**Date: 20/07/2019**

**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

The Company has formed a Code of Conduct for the Members of the Board of Directors and Senior Management of the Company pursuant to Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the all the members of the Board of Directors and senior management have affirmed compliance with the code of conduct for the financial year 2018-19.

**FOR ASPIRA PATHLAB & DIAGNOSTICS LIMITED**

**SD/-**

**Dr. Pankaj J Shah**  
**Managing Director**

**DIN :- 02836324**

**SD/-**

**Arvind K Bhanushali**  
**Director**

**DIN: 00011903**

**Place: Mumbai**

**Date: 20/07/2019**

**INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

TO THE MEMBERS OF

ASPIRA PATHLAB &amp; DIAGNOSTICS LIMITED

**Report on the Audit of the Standalone Ind AS Financial Statements****Opinion**

We have audited the accompanying standalone Ind AS financial statements of Aspira Pathlab & Diagnostics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the 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 31 March 2019, and its loss, total comprehensive income, its cash flows and the changes in equity 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 Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**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 of the current period. 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 Matter   | How the matter was addressed in our audit  |
|--|--|
| <p><b>Revenue Recognition-</b></p> <p>The company's major part of revenue relates to billing to direct/retail customers/patients which comprise of high volumes of individually small transactions recorded in the books through journals.</p> | <p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> |

|   |   |
|---|---|
| <p>Revenue comprises of revenue from providing healthcare services such as health check up and laboratory services. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from rendering services are recognised on an accrual basis as and when services are performed.</p> <p>Revenue comprises of amount billed (net of discounts) in respect of tests conducted and is recognized as and when the samples are registered for the purpose of conducting the tests which usually take not more than 48 hours.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. Since revenue comprises of high volumes of individually small transactions, the process of summarizing and recording sales revenue is critical with regard to the completeness, existence and accuracy of retail sales revenue.</p> | <ul style="list-style-type: none"> <li>• Obtaining an understanding of and assessing the design, implementation and operating effectiveness of relevant internal controls relating to the recognition of revenue, including those related to the reconciliation of sales records to cash / credit card / online receipts, preparation, posting and approval of manual journal entries relating to revenue recognition.</li> <li>• Testing the accuracy of retail revenue recorded during the year by examining that the sale of service transactions are in agreement with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank remittances, on sample basis.</li> <li>• Testing whether the sales have been recorded in the correct period by selecting samples of reconciliation between sales transactions and cash / credit card / online and agreeing those reconciliations through supporting documentation.</li> <li>• Obtaining reconciliation of sales as per books of account with the sales as per billing software and inquire about reasons for differences, if any.</li> </ul> <p>Obtaining an understanding of and assessing the design, implementation and operating effectiveness of relevant internal and IT controls.</p> |
|---|---|

#### 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 information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's report, Business Responsibility Report and Report on Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act")

with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibility 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.

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 financial 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 system 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, 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.

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, based on our audit 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 purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015; as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-B** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For P Khetan & Co  
Chartered Accountant

(Pankaj Kumar Khetan)  
Partner  
M.No- 066080  
Firm Reg. No- 327386E

Place- Mumbai

Date- 18.05.2019

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph (f) under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Aspira Pathlab & Diagnostics Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 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 Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of

Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in

accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting 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.

For P Khetan & Co  
Chartered Accountant

(Pankaj Kumar Khetan)

Partner

M.No- 066080

Firm Reg. No- 327386E

Place- Mumbai

Date- 18.05.2019

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT:**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) As informed to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) As informed to us, the Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and the provisions of Sections 73 to 76 of the Companies Act, 2013 are not applicable and hence reporting under clause 3(v) of the Order is also not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Sales Tax, Service Tax, Goods & Service Tax, Custom Duty, Excise Duty, Income Tax, Wealth Tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods & Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
- (c) There are no dues of Income-tax, Sales Tax, Service Tax, Goods & Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised.
- (x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the Management, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company had made preferential allotment of shares under section 42 of the Companies Act, 2013 and other relevant SEBI ICDR Regulations during the year.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P Khetan & Co  
Chartered Accountant

(Pankaj Kumar Khetan)  
Partner  
M.No- 066080  
Firm Reg. No- 327386E

Place- Mumbai

Date- 18.05.2019

## Balance Sheet as at 31st March, 2019

(All amounts in Rupees, unless otherwise stated)

| Particulars                         | Notes | As at<br>31.03.2019 | As at<br>31.03.2018 |
|-------------------------------------|-------|---------------------|---------------------|
| <b>Assets</b>                       |       |                     |                     |
| <b>Non-Current assets</b>           |       |                     |                     |
| - Property, plant and equipment     | 3     | 61,893,218          | 68,519,688          |
| - Goodwill                          | 4     | 26,517,864          | 9,423,516           |
| - Other Intangible Assets           | 5     | 556,410             | 1,108,832           |
| Financial Assets                    |       |                     |                     |
| i) Loans & Advances                 | 6     | 3,540,574           | 5,875,518           |
| ii) Other financial assets          | 7     | 32,500,000          | 22,500,000          |
|                                     |       | <b>125,008,065</b>  | <b>107,427,553</b>  |
| <b>Current Assets</b>               |       |                     |                     |
| Inventories                         | 8     | 2,800,521           | 3,694,400           |
| Financial assets                    |       |                     |                     |
| i) Trade Receivables                | 9     | 7,961,273           | 3,547,628           |
| ii) Cash and cash equivalents       | 10    | 964,230             | 2,210,044           |
| iii) Others financial assets        | 11    | 9,237,652           | 6,735,297           |
| Other Current assets                | 12    | 2,026,036           | 1,704,241           |
|                                     |       | <b>22,989,712</b>   | <b>17,891,610</b>   |
| <b>Total Assets</b>                 |       | <b>147,997,777</b>  | <b>125,319,163</b>  |
| <b>EQUITY AND LIABILITIES</b>       |       |                     |                     |
| <b>Equity</b>                       |       |                     |                     |
| Equity Share Capital                | 13    | 81,930,000          | 51,930,000          |
| Other equity                        | 14    | (30,015,300)        | (48,581,757)        |
|                                     |       | <b>51,914,700</b>   | <b>3,348,243</b>    |
| <b>Liabilities</b>                  |       |                     |                     |
| <b>Non Current Liabilities</b>      |       |                     |                     |
| Financial Liabilities               |       |                     |                     |
| (i) Borrowings                      | 15    | 47,835,900          | 105,031,419         |
| (ii) Others financial liabilities   | 16    | 5,000,000           | -                   |
| Provisions                          | 17    | 1,150,789           | 572,926             |
|                                     |       | <b>53,986,689</b>   | <b>105,604,345</b>  |
| <b>Current Liabilities</b>          |       |                     |                     |
| Financial Liabilities               |       |                     |                     |
| (i) Borrowings                      | 18    | 19,648,872          | 854,422             |
| (ii) Trade Payables                 | 19    | 2,881,302           | 2,270,908           |
| (iii) Others                        | 20    | 5,879,311           | 938,142             |
| Other current financial liabilities | 21    | 13,682,978          | 12,299,218          |
| Provisions                          | 22    | 3,926               | 3,884               |
|                                     |       | <b>42,096,389</b>   | <b>16,366,574</b>   |
| <b>Total Liabilities</b>            |       | <b>96,083,077</b>   | <b>121,970,920</b>  |
| <b>Total Equity and Liabilities</b> |       | <b>147,997,777</b>  | <b>125,319,163</b>  |

Significant Accounting Policies &amp; Notes

1-41

The Significant accounting policies and notes to accounts referred to above form an integral part of the Financial statement.

As per our report of even date annexed

**For P KHETAN & CO**

Chartered Accountants

F.R.N. 327386E

(Pankaj Kumar Khetan)

Partner

Membership No. 066080

Date: 18th May, 2019

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-

Dr. Pankaj shah

Managing Director

DIN-02836324

Sd/-

Balakrishna Talawadekar

Chief Financial Officer

Sd/-

Arvind K Bhanushali

Director

DIN-00011903

Sd/-

Mamta Mav

Company Secretary

## Statement of Profit and Loss for the period ended 31st March, 2019

(All amounts in Rupees, unless otherwise stated)

| Particulars   | Note No | For the year ended<br>Mar 31, 2019<br>₹ | For the year ended<br>Mar 31, 2018<br>₹ |
|---|---------|---|---|
| <b>Income:</b>  |         |   |   |
| Revenue from operations                                   | 23      | 76,371,391                              | 43,577,567                              |
| Other Income  | 24      | 2,531,853                               | 2,205,167                               |
| <b>Total Income(I)</b>                                    |         | <b>78,903,244</b>                       | <b>45,782,734</b>                       |
| <b>Expenses:</b>  |         |   |   |
| Cost of materials consumed                                | 25      | 22,558,714                              | 13,017,760                              |
| Employee benefit expenses                                 | 26      | 44,736,167                              | 34,237,870                              |
| Finance cost  | 27      | 9,606,713                               | 8,048,482                               |
| Depreciation and amortisation                             | 28      | 12,283,737                              | 11,245,931                              |
| Other expenses  | 29      | 41,546,067                              | 35,055,701                              |
| <b>Total Expenses(II)</b>                                 |         | <b>130,731,399</b>                      | <b>101,605,745</b>                      |
| III. Profit/(Loss) before tax (I-II)                      |         | (51,828,154)                            | (55,823,011)                            |
| IV. Tax expense:  |         |   |   |
| (1) Current tax   |         | -                                       | -                                       |
| (2) Deferred tax  |         | -                                       | -                                       |
| (3) Tax relating to earlier years-Short/(Excess)          |         | 1,178                                   | -                                       |
| V. Profit/(Loss) after tax for the year (A)               |         | (51,829,332)                            | (55,823,011)                            |
| VI. Other comprehensive income                            |         |   |   |
| Items that will not be reclassified to profit or loss:    |         |   |   |
| Remeasurement of defined benefit plans                    |         | 97,461                                  | 10,269                                  |
| Total Other Comprehensive income (B)                      |         | 97,461                                  | 10,269                                  |
| VII. Total Comprehensive income (A+B)                     |         | <b>(51,731,871)</b>                     | <b>(55,812,742)</b>                     |
| VIII. Earnings per equity share:                          | 30      |   |   |
| (1) Basic earning per share (face value of Rs. 10 each)   |         | (6.33)                                  | (10.75)                                 |
| (2) Diluted earning per share (face value of Rs. 10 each) |         | (7.41)                                  | (10.75)                                 |

Significant Accounting Policies &amp; Notes

1-41

The Significant accounting policies and notes to accounts referred to above form an integral part of the Financial statement.

As per our report of even date annexed

**For P KHETAN & CO**

Chartered Accountants

F.R.N. 327386E

(Pankaj Kumar Khetan)

Partner

Membership No. 066080

Date: 18th May, 2019

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-

Dr. Pankaj shah

Managing Director

DIN-02836324

Sd/-

Balakrishna Talawadekar

Chief Financial Officer

Sd/-

Arvind K Bhanushali

Director

DIN-00011903

Sd/-

Mamta Mav

Company Secretary

## Cash flow Statement for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

| Particulars   | For the year ended<br>Mar 31, 2019<br>₹ | For the year ended<br>Mar 31, 2018<br>₹ |
|---|---|---|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                              |   |   |
| Profit/(Loss) before Tax  | (51,731,871)                            | (55,812,742)                            |
| <u>Adjustments for:</u>   |   |   |
| Interest income   | (2,531,853)                             | (2,205,167)                             |
| Finance Costs   | 9,606,713                               | 8,048,482                               |
| Depreciation and amortisation expenses                                    | 12,283,737                              | 11,245,931                              |
| <b>CASH GENERATED BEFORE WORKING CAPITAL CHANGES</b>                      | <u>(32,373,274)</u>                     | <u>(38,723,496)</u>                     |
| <b>Adjustments for:</b>   |   |   |
| (Increase)/Decrease in Trade receivables                                  | (4,413,645)                             | (2,677,431)                             |
| (Increase)/Decrease in Inventories  | 893,879                                 | (2,503,547)                             |
| (Increase)/Decrease in Current Security deposits and others               | (2,502,355)                             | (2,128,159)                             |
| (Increase)/Decrease in other Non Current advances                         | 2,334,944                               | 84,483                                  |
| (Increase)/Decrease in Short term advances                                | (321,795)                               | 480,576                                 |
| (Increase)/Decrease in other Current Assets                               | -                                       | 2,808,798                               |
| (Increase)/Decrease in Current Assets,                                    |   |   |
| Loans & advances and Other non-current assets                             | (10,000,000)                            | -                                       |
| Increase/(Decrease) in Trade payables                                     | 610,394                                 | (597,204)                               |
| Increase/(Decrease) in other Current Provisions                           | 42                                      | (110,474)                               |
| Increase/(Decrease) in other Non Current Provisions                       | 577,863                                 | 425,410                                 |
| Increase/(Decrease) in other Current Liabilities                          | 1,383,760                               | (5,188,881)                             |
| Increase/(Decrease) in Other current liabilities & provisions             | 4,941,169                               | -                                       |
| Increase/(Decrease) in Other Non-Current liabilities                      | 5,000,000                               | -                                       |
| <b>CASH GENERATED FROM OPERATIONS</b>                                     | <u>(33,869,018)</u>                     | <u>(48,129,925)</u>                     |
| Taxes Paid ( net of refunds)  | -                                       | -                                       |
| <b>NET CASH (USED IN)/ GENERATED FROM OPERATING ACTIVITIES(A)</b>         | <u>(33,869,018)</u>                     | <u>(48,129,925)</u>                     |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                              |   |   |
| Purchase of property, plant and equipment                                 | (5,104,845)                             | (9,832,518)                             |
| Purchase of Intangible assets   | -                                       | (120,162)                               |
| Payment for business takeover   | (17,094,348)                            | -                                       |
| Interest Received   | 2,531,853                               | 2,205,167                               |
| <b>NET CASH FLOW (USED IN)/ GENERATED FROM INVESTING ACTIVITIES - (B)</b> | <u>(19,667,340)</u>                     | <u>(7,747,513)</u>                      |

## Cash flow Statement for the year ended 31st March 2019

(All amounts in Rupees, unless otherwise stated)

| Particulars  | For the year ended<br>Mar 31, 2019<br>₹ | For the year ended<br>Mar 31, 2018<br>₹ |
|--|---|---|
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                       |   |   |
| Proceeds from long term borrowings                                 | (55,362,200)                            | 74,897,596                              |
| Proceeds from issue of compounding instrument                      | 49,298,328                              | -                                       |
| Proceeds from short term borrowings                                | -                                       | -                                       |
| Repayment of long term borrowings                                  | (1,833,319)                             | (1,616,123)                             |
| Interest paid  | (9,606,713)                             | (8,048,482)                             |
| Premium on issue of Shares   | 21,000,000                              | -                                       |
| Proceeds from issue of shares                                      | 30,000,000                              | -                                       |
| <b>NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES (C)</b> | <b>33,496,095</b>                       | <b>65,232,990</b>                       |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)       | (20,040,262)                            | 9,355,553                               |
| Add: Cash and Cash Equivalents at the beginning of the year        | 2,210,044                               | 28,104,660                              |
| Less: Cash Credits at the beginning of the year                    | (854,422)                               | (36,104,593)                            |
| Adjusted cash & cash equivalents at the beginning of the year      | 1,355,621                               | (7,999,933)                             |
| <b>Cash and Cash Equivalents at the end of the year</b>            | <b>(18,684,643)</b>                     | <b>1,355,622</b>                        |
| <b>Components of cash and cash equivalents comprise:</b>           |   |   |
| Cash in hand   | 790,772                                 | 362,778                                 |
| Balances with banks:   |   |   |
| - In Current Accounts  | 145,621                                 | 1,802,513                               |
| - In Escrow Account  | 27,837                                  | 44,753                                  |
| - In Cash Credit Accounts  | (19,648,872)                            | (854,422)                               |
| - Deposits with maturity less than 3 months                        | -                                       | -                                       |
| Cash and Cash Equivalents in cash flow statement                   | (18,684,643)                            | 1,355,622                               |
| Significant Accounting Policies & Notes                            | 1-41                                    |   |

The Significant accounting policies and notes to accounts referred to above form an integral part of the Financial statement.

**Note:**

- Cash and Cash equivalents represents cash in hand and balances with banks and Overdraft Facilities.
- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 Statement of Cash Flows.
- Previous year figures have been regrouped and reclassified where necessary to conform to current year's classification.

As per our report of even date annexed

**For P KHETAN & CO**

Chartered Accountants

F.R.N. 327386E

(Pankaj Kumar Khetan)

Partner

Membership No. 066080

Date: 18th May, 2019

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-

Dr. Pankaj shah

Managing Director

DIN-02836324

Sd/-

Balakrishna Talawadekar

Chief Financial Officer

Sd/-

Arvind K Bhanushali

Director

DIN-00011903

Sd/-

Mamta Mav

Company Secretary



## Standalone statement of changes in Equity for the year ended 31st March, 2019

## A Equity Share Capital

| Particulars                           | Amount (in Rs.) |
|---------------------------------------|-----------------|
| <b>Balance as on 1st April, 2017</b>  | 51,930,000      |
| Addition during the year              | -               |
| <b>Balance as on 31st March, 2018</b> | 51,930,000      |
| Addition during the year              | 30,000,000      |
| <b>Balance as on 31st March, 2019</b> | 81,930,000      |

## B Other Equity

| Particulars   | Reserves & Surplus    |                      |   | Total<br>Other<br>Equity |
|---|-----------------------|----------------------|---|--------------------------|
|   | Securities<br>Premium | Retained<br>Earnings | Equity Component<br>of Redeemable<br>Preference Shares<br>Reserve<br>(Compound Financial<br>Instrument) |                          |
| <b>Balance as of March 31, 2018</b>                               | 31,701,000            | (80,282,757)         | -   | (48,581,757)             |
| Addition during the year on account<br>of Issue of equity shares  | 21,000,000            | -                    | -   | 21,000,000               |
| Addition to Equity component of<br>compound financial instruments | -                     | -                    | 49,298,328  | 49,298,328               |
| Profit/(loss) for the year  | -                     | (51,829,332)         | -   | (51,829,332)             |
| Other comprehensive income/<br>(expense)                          | -                     | 97,461               | -   | 97,461                   |
| <b>Balance as of March 31, 2019</b>                               | 52,701,000            | (132,014,628)        | 49,298,328  | (30,015,300)             |

Significant Accounting Policies &amp; Notes

1-41

The Significant accounting policies and notes to accounts referred to above form an integral part of the Financial statement.

As per our report of even date annexed

**For P KHETAN & CO**

Chartered Accountants

F.R.N. 327386E

(Pankaj Kumar Khetan)

Partner

Membership No. 066080

Date: 18th May, 2019

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-

Dr. Pankaj shah

Managing Director

DIN-02836324

Sd/-

Balakrishna Talawadekar

Chief Financial Officer

Sd/-

Arvind K Bhanushali

Director

DIN-00011903

Sd/-

Mamta Mav

Company Secretary

## Notes to the financial statements for the year ended 31 March 2019

### 1 Background and nature of operations

Aspira Pathlab & Diagnostics Limited (the 'Company') having CIN- L85100MH1973PLC289209 is a public limited company incorporated and domiciled in India and has its registered office at Flat NO.2 , R.D. Shah Bldg, Shraddhanand Road Opp. Ghatkopar Railway Station, Ghatkopar (West) Mumbai- 400086, Maharashtra, India. The Company is engaged in the business of running, owning, managing and administering Diagnostics Centers. The principal activities of the company consist of pathology investigation services, radiology investigation services and other related healthcare services at Diagnostic Centres in Mumbai.

The equity shares of the company are listed on The Bombay Stock Exchange Ltd.

### 2 Summary of Significant accounting policies

#### 2.1 Basis of Preparation

- a) The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India.
- b) The financial statements of the Company have been prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) on the accrual basis of accounting and historical cost convention with the exception of certain material items that have been measured at fair value as required by the relevant Ind AS and explained in the ensuing policies below. The financial statements are presented in Indian Rupees ('INR')

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### 2.2 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

#### Key sources of estimation uncertainty

##### Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss may arise.

##### Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each

reporting period. There is no such change in the useful life of the assets.

#### **Fair value measurements and valuation processes**

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

### **2.3 Property, Plant and Equipment (PPE)**

- (i) Property, Plant and Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- (ii) Capital Work-in-Progress represents Property, plant and equipment that are not ready for their intended use as at thereporting date.
- (iii) Subsequent expenditure related to an item of Property, Plant and Equipments is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

- (iv) Gains or losses arising from derecognition of Property, Plant and Equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### **Depreciation methods, estimated useful lives and residual values**

Depreciation is provided, pro-rata for the period in use, on the straight-line method based on the respective estimate of useful lives given below. Estimated useful lives of assets are determined based on technical parameters/assessments. The Management believes that useful lives currently used, which is prescribed under Part C of Schedule II to the Companies Act, 2013, fairly reflects its estimate of the useful lives and residual values of PPE, though these lives in certain cases are different from lives prescribed under Schedule II.

- (i) Leasehold Improvements are depreciated over the useful lives of the assets or the unexpired lease period, whichever, is lower. Based on the same, leasehold improvements are being depreciated over a period of 3 - 5 years.
- (ii) In respect of Computers, Office Equipment and Furniture, the depreciation is calculated by straight line basis considering the useful lives prescribed under Schedule II of the Companies Act, 2013.
- (iii) In respect of Lab equipments and Lab Instruments, the depreciation is calculated by straight line basis considering the useful life that is period of eight year & ten years respectively, determined based on the management's experience of use of the assets, as against the period of fifteen years as prescribed under Schedule II of the Companies Act, 2013

The Company has considered following useful lives to provide depreciation on its fixed assets:

| <b>Tangible assets</b>                                       | <b>Useful Life<br/>(in years)<br/>followed by<br/>the Company<br/>(SLM)</b> | <b>Useful Life<br/>(in years)<br/>under<br/>Schdule II<br/>(SLM)</b> |
|--|---|--|
| <b>Plant &amp; Machinery</b>                                 |   |  |
| -Plant and Machinery used in medical and surgical operations | 8   | 13   |
| -Other equipments  | 10  | 15   |
| <b>Computers</b>   |   |  |
| -Servers and networks  | 6   | 6  |
| -End user devices, such as desktops, laptops, etc.           | 3   | 3  |
| <b>Office equipment</b>                                      | 5   | 5  |
| <b>Furniture</b>   | 10  | 10   |
| <b>Electrical installations</b>                              | 10  | 10   |

#### **Intangible assets**

Intangible assets are stated at cost of acquisition less accumulated amortization / impairment losses.

#### **Goodwill**

For measurement of goodwill arising on a business combination, subsequent measurement is at costs less any accumulated impairment losses. In respect of business combination that occurred prior to the transition date i.e. 1 April 2016, goodwill is included on the basis of its deemed cost, which represents the amount recorded under previous GAAP.

Goodwill is not amortized and is tested for impairment annually.

#### **Acquired intangible assets**

Intangible assets acquired separately are measured

on initial recognition at cost. The cost of intangible assets acquired at purchase of business is recorded at their fair value as at the date of purchase of business. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The Company amortizes intangible assets with a finite useful life using the straight-line method over the estimated useful lives. Computer software and Website development cost is being amortized using the straight line method over its useful life, not exceeding three years.

#### **2.4 Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets except inventories to ascertain whether there is any indication that those assets have suffered an impairment loss. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into

account, if available. If no such transactions can be identified, an appropriate valuation model is used. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Intangible assets excluding goodwill with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

## 2.5 Investments and Other financial assets

### Classification

The Company classifies its financial assets in the following categories:

Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

Those measured at amortized cost.

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

### Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

### Subsequent measurement

After initial recognition, financial assets are measured at: fair value (either through other comprehensive income or through Profit and Loss), or amortized cost.

### Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through Profit and Loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

### Amortised 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 amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

### Fair Value Through Profit and Loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is recognised in the Statement of Profit and Loss.

### Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are

recognized in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### **Impairment of financial assets**

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure: If financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### **Derecognition of financial assets**

A financial asset is derecognized only when:

the Company has transferred the rights to receive cash flows from the financial asset or

retains the contractual rights to receive the cash flows from the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

#### **Income recognition**

##### **Interest income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

##### **Dividend income**

Dividends are recognised in Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

## **2.6 Financial liabilities and equity instruments**

### **Classification of debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity instruments**

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

**Financial liabilities**

Financial liabilities are initially recognised at fair value, net of transaction cost incurred. All financial liabilities are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**De-recognition of financial liabilities**

The Company de-recognises financial liabilities when, and only when, the Company's obligations specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gain/(loss).

**2.7 Inventories**

Inventories comprise of Reagents, Chemicals, Stores and Consumables. Inventories are valued at lower of cost and net realizable value. Cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is determined by the FIFO cost method.

**2.8 Revenue recognition**

Revenue comprises of revenue from providing healthcare services such as health check up and

laboratory services to the customers. Effective 1 April, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions etc as specified in the contract with the customer. Revenue is recognized at a point in time when the company satisfies performance obligations by rendering the promised service to its customers. Generally, each test represents a separate performance obligation for which revenue is recognised when the test report is generated i.e. when the performance obligation is satisfied. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. Income from interest is accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest. Dividend income is recorded when the right to receive the dividend is established.

**2.9 Leases**

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**2.10 Foreign currency transactions**

Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Conversion - Monetary assets and liabilities denominated in foreign currency are

converted at the rate of exchange prevailing on the date of the Balance Sheet. Exchange differences - Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

### 2.11 Employee benefits

- (i) All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.
- (ii) Employees of the Company are entitled to receive benefits under the provident fund, which is a defined contribution plan, in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.
- (iii) Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date. The defined benefit/ obligation are calculated at the balance sheet date by an independent actuary using the projected unit credit method. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss: a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is

included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from Re-measurement of Actuarial (gains) / losses, Return on plan assets, excluding amount recognized in effect of asset ceiling, Re-measurement arising because of change in effect of asset ceiling are recognised in the period in which they occur directly in other comprehensive income. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

### 2.12 Taxes on income

The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognised on timing differences between the accounting and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses under tax laws are recognised and carried forward to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised in future. Other deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Such assets are reviewed at each balance sheet date to reassess realisation



### 2.13 Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### 2.14 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of 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 are adjusted for the effects of all dilutive potential equity shares.

### 2.15 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term investments 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 statement of cash flows, Cash and cash equivalents consist of cash at bank and on hand and short term deposits and unpaid dividend account, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

### 2.16 Segment reporting policy

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The chief operating decision maker (CODM) is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board of Directors of the Company. Refer note 30 for segment information presented.

### 2.17 Operating Cycle:

The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as Current and non-current.

### 2.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows

are segregated into operating, investing and financing activities.

## 2.19 Recent Accounting Pronouncement

### Ind AS 116 Leases

Ministry of Corporate affairs has notified Ind AS 116 - Leases, which is effective from 1 April, 2019, which will replace the existing lease standard, Ind AS 17 Leases and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of lease for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward lessor accounting requirements. The Company is evaluating the impact of Ind AS 116 and its effect on the financial statements.

### Ind AS 12 Income Taxes

On 30 March, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses,

unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1 April, 2019. The Company is evaluating the requirements and its effect on the financial statements.

### Ind AS 12 Income Taxes

On 30 March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1 April, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

## 3 Property, plant and equipment

|  | Lab equipments    | Lab instruments   | Computers        | Office equipment | Furniture        | Electrical fittings | Leasehold improvements | Total             |
|--|-------------------|-------------------|------------------|------------------|------------------|---------------------|------------------------|-------------------|
| <b>Gross block- at cost or deemed cost</b> |                   |                   |                  |                  |                  |                     |                        |                   |
| <b>Balance as at 01 April, 2017</b>        | 5,676,661         | 44,411,440        | 2,522,095        | 562,279          | 2,803,777        | 41,693              | 12,834,437             | <b>68,852,382</b> |
| Additions                                  | 4,609,764         | 947,505           | 389,131          | 163,450          | 1,008,727        | -                   | 5,438,276              | <b>12,556,853</b> |
| Acquired in business takeover              | -                 | -                 | -                | -                | -                | -                   | -                      | -                 |
| Disposal                                   | -                 | -                 | -                | -                | 271,918          | -                   | -                      | <b>271,918</b>    |
| <b>Balance as at 31 March, 2018</b>        | 10,286,425        | 45,358,945        | 2,911,226        | 725,729          | 3,540,586        | 41,693              | 18,272,713             | <b>81,137,317</b> |
| Additions                                  | -                 | 1,005,823         | 702,364          | 14,750           | 291,466          | 184,790             | -                      | <b>2,199,193</b>  |
| Acquired in business takeover              | 2,790,074         | -                 | 31,166           | 3,320            | 11,709           | 69,383              | -                      | <b>2,905,652</b>  |
| Disposal                                   | -                 | -                 | -                | -                | -                | -                   | -                      | -                 |
| <b>Balance as at 31 March, 2019</b>        | 13,076,499        | 46,364,768        | 3,644,756        | 743,799          | 3,843,761        | 295,866             | 18,272,713             | <b>86,242,162</b> |
| <b>Accumulated Depreciation</b>            |                   |                   |                  |                  |                  |                     |                        |                   |
| <b>Balance as at 01 April, 2017</b>        | 127,496           | 929,332           | 251,176          | 11,744           | 75,827           | -                   | 513,903                | <b>1,909,478</b>  |
| Depreciation charge                        | 1,074,269         | 4,289,393         | 885,922          | 129,765          | 324,683          | 5,274               | 3,998,845              | <b>10,708,151</b> |
| Reversal on disposal of asset              | -                 | -                 | -                | -                | -                | -                   | -                      | -                 |
| <b>Balance as at 31 March, 2018</b>        | 1,201,765         | 5,218,725         | 1,137,098        | 141,509          | 400,510          | 5,274               | 4,512,748              | <b>12,617,629</b> |
| Depreciation charge                        | 1,493,800         | 4,381,735         | 1,073,364        | 140,756          | 350,494          | 23,543              | 4,267,623              | <b>11,731,315</b> |
| Reversal on disposal of asset              | -                 | -                 | -                | -                | -                | -                   | -                      | -                 |
| <b>Balance as at 31 March, 2019</b>        | 2,695,565         | 9,600,460         | 2,210,462        | 282,265          | 751,004          | 28,817              | 8,780,371              | <b>24,348,944</b> |
| <b>Net Block</b>                           |                   |                   |                  |                  |                  |                     |                        |                   |
| <b>As at 31 March, 2018</b>                | <b>9,084,660</b>  | <b>40,140,220</b> | <b>1,774,128</b> | <b>584,220</b>   | <b>3,140,076</b> | <b>36,419</b>       | <b>13,759,965</b>      | <b>68,519,688</b> |
| <b>As at 31 March, 2019</b>                | <b>10,380,934</b> | <b>36,764,308</b> | <b>1,434,294</b> | <b>461,534</b>   | <b>3,092,757</b> | <b>267,049</b>      | <b>9,492,342</b>       | <b>61,893,218</b> |

The Company has elected to continue with the carrying value of all of its property, plant and equipment and Intangible Assets as at the transition date, viz., measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars                                 | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---|---------------------------|---------------------------|
| <b>4 Goodwill</b>                           |                           |                           |
| Cost or Deemed Cost                         | 26,517,864                | 9,423,516                 |
| Accumulated Impairment Loss                 | -                         | -                         |
| Closing Balance                             | <u>26,517,864</u>         | <u>9,423,516</u>          |
| <b>Balance at the beginning of the year</b> | 9,423,516                 | 9,423,516                 |
| Additions on account of business takeover   | <u>17,094,348</u>         | -                         |
| <b>Closing Balance</b>                      | <u>26,517,864</u>         | <u>9,423,516</u>          |
| <b>Accumulated Impairment Loss</b>          |                           |                           |
| <b>Balance at the beginning of the year</b> | -                         | -                         |
| Impairment loss recognised during the year  | <u>-</u>                  | <u>-</u>                  |
| <b>Closing Balance</b>                      | <u>-</u>                  | <u>-</u>                  |

During the year, the Company has purchased the business of "Om Diagnostics Lab Pvt Ltd" engaged in the business of providing pathological diagnostics services in Mumbai, on slump sale basis for a purchase consideration of ₹ 2 Crore (including goodwill of ₹ 1.71 Crore). The company has applied IND AS 103 to recognise, measure & compute the Goodwill.

**Impairment of Goodwill**

Based on impairment testing, the management believes that the recoverable amounts of the cash Generating Unit (CGU) to which the goodwill belongs is higher than the carrying amount of the CGU and hence the Goodwill is not impaired.

**5 Other Intangible assets**

| Particulars                         | Software         | Website<br>development | Total            |
|-------------------------------------|------------------|------------------------|------------------|
| <b>Gross block</b>                  |                  |                        |                  |
| <b>Balance as at 1 April, 2017</b>  | 910,296          | 714,032                | <b>1,624,328</b> |
| Additions                           | 120,162          | -                      | <b>120,162</b>   |
| Disposal                            | -                | -                      | -                |
| <b>Balance as at 31 March, 2018</b> | <u>1,030,458</u> | <u>714,032</u>         | <b>1,744,490</b> |
| Additions                           | -                | -                      | -                |
| Disposal                            | -                | -                      | -                |
| <b>Balance as at 31 March, 2019</b> | <u>1,030,458</u> | <u>714,032</u>         | <b>1,744,490</b> |
| <b>Accumulated Amortisation</b>     |                  |                        |                  |
| <b>Balance as at 1 April, 2017</b>  | 94,161           | 3,717                  | <b>97,878</b>    |
| Amortisation                        | 311,670          | 226,110                | <b>537,780</b>   |
| Reversal on Disposal                | -                | -                      | -                |
| <b>Balance as at 31 March 2018</b>  | <u>405,831</u>   | <u>229,827</u>         | <b>635,658</b>   |
| Amortisation                        | 326,312          | 226,110                | <b>552,422</b>   |
| Reversal on Disposal                | -                | -                      | -                |
| <b>Balance as at 31 March 2019</b>  | <u>732,143</u>   | <u>455,937</u>         | <b>1,188,080</b> |
| <b>Net Block</b>                    |                  |                        |                  |
| <b>As at 31 March 2018</b>          | <u>624,627</u>   | <u>484,205</u>         | <b>1,108,832</b> |
| <b>As at 31 March 2019</b>          | <u>298,315</u>   | <u>258,095</u>         | <b>556,410</b>   |

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars   | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|---|---------------------------|---------------------------|
| <b>6 Long Term Loans &amp; Advances<br/>(Unsecured Considered Good)</b> |                           |                           |
| Loan given to parties   | 3,218,901                 | 5,532,601                 |
| Loan given to Staff   | 321,673                   | 342,917                   |
|   | <u><b>3,540,574</b></u>   | <u><b>5,875,518</b></u>   |
| <b>7 Other financial assets</b>   |                           |                           |
| Bank deposits (refer note 10)   | 32,500,000                | 22,500,000                |
|   | <u><b>32,500,000</b></u>  | <u><b>22,500,000</b></u>  |
| <b>8 Inventories</b>  |                           |                           |
| Reagents, chemicals & consumables                                       | 2,800,521                 | 3,694,400                 |
|   | <u><b>2,800,521</b></u>   | <u><b>3,694,400</b></u>   |
| <b>Break up of Inventories</b>  |                           |                           |
| Reagents and chemicals  | 2,393,393                 | 3,262,899                 |
| Consumables & others  | 407,128                   | 431,501                   |
| <b>9 Trade Receivables</b>  |                           |                           |
| secured, considered good  | -                         | -                         |
| Unsecured, considered good  | 7,961,273                 | 3,547,628                 |
| Unsecured, considered doubtful  | 402,815                   | -                         |
|   | <u>8,364,088</u>          | <u>3,547,628</u>          |
| Less: Allowance for doubtful debts(Expected credit loss allowance)      | 402,815                   | -                         |
|   | <u><b>7,961,273</b></u>   | <u><b>3,547,628</b></u>   |

The average credit period from service is 30 days. No interest is charged on the trade receivables for the amount overdue above the credit period. There are 5 customers who represent more than 5% of the total balance of trade receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars  | As at<br>31st March, 2019           | As at<br>31st March, 2018           |
|--|-------------------------------------|-------------------------------------|
| <b>Age of Receivables</b>  |                                     |                                     |
| 0-90 days  | 4,060,358                           | 3,191,007                           |
| 90-180 days  | 2,381,267                           | 319,194                             |
| 180-360 days   | 1,312,428                           | 37,427                              |
| More than 360 days   | 610,035                             | -                                   |
|  | <b>8,364,088</b>                    | <b>3,547,628</b>                    |
| <b>Movement in the expected credit loss allowance</b>  |                                     |                                     |
|  | <b>Year ended<br/>31 March 2019</b> | <b>Year ended<br/>31 March 2018</b> |
| <b>Balance at the beginning of the year</b>  | -                                   | -                                   |
| Movement in the expected credit loss allowance on trade receivables calculated at life time expected credit losses | 402815                              | -                                   |
| <b>Balance at the end of the year</b>  | <b>402,815</b>                      | -                                   |

The concentration of Credit risk is limited due to the fact that the customers base is large and unrelated.

| Ageing             | Expected Credit Loss (%) |
|--------------------|--------------------------|
| 0-90 days          | 0%                       |
| 90-180 days        | 5%                       |
| 180-360 days       | 10%                      |
| More than 360 days | 25%                      |

10 **Cash & Cash Equivalents****Balances with banks:**

|                      |         |           |
|----------------------|---------|-----------|
| -In Current Accounts | 145,621 | 1,802,513 |
| -In Escrow Account   | 27,837  | 44,753    |

**Cash In Hand:**

|              |                |                  |
|--------------|----------------|------------------|
| Cash In hand | 790,772        | 362,778          |
|              | <b>964,230</b> | <b>2,210,044</b> |

**Other bank balances**

Balance with bank held as

|   |                   |                   |
|---|-------------------|-------------------|
| -Deposits with maturity more than 3 months but less than 12 months* | -                 | -                 |
| -Deposits with maturity more than 12 months*                        | 32,500,000        | 22,500,000        |
|   | <b>32,500,000</b> | <b>22,500,000</b> |

Less: Amount disclosed as 'Other non-current assets' (refer note 7)

|  |                |                  |
|--|----------------|------------------|
|  | (32,500,000)   | (22,500,000)     |
| Cash and Cash equivalents as shown above | <b>964,230</b> | <b>2,210,044</b> |

\* Includes fixed deposits with lien as security for overdraft facility.

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars                          | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--------------------------------------|---------------------------|---------------------------|
| <b>11 Other financial assets</b>     |                           |                           |
| Deposits                             |                           |                           |
| - to related parties                 | 429,477                   | 403,266                   |
| - to others                          | 4,891,264                 | 4,353,789                 |
| Interest accrued on Deposits         | 3,916,911                 | 1,978,242                 |
|                                      | <b>9,237,652</b>          | <b>6,735,297</b>          |
| <b>12 Other Current Assets</b>       |                           |                           |
| Advance to Staff for Expenses        | 18,000                    | -                         |
| Advances recoverable in cash or kind | 19,390                    | 17,191                    |
| Advance tax and TDS                  | 1,319,557                 | 1,015,468                 |
| Prepaid expenses                     | 669,089                   | 671,582                   |
|                                      | <b>2,026,036</b>          | <b>1,704,241</b>          |

**Additional Information**

Advance payment against taxes is after year wise set off against provision for taxation.

**13 Equity Share Capital****Authorised Capital**

|  |                    |                    |
|--|--------------------|--------------------|
| 20000000 (Pr. Yr. 10000000) Equity Shares of Rs.10/- | 200,000,000        | 100,000,000        |
| 15000000 (Pr. Yr. NIL) Preference Shares of Rs.10/-  | 150,000,000        | -                  |
|  | <b>350,000,000</b> | <b>100,000,000</b> |

**Issued, Subscribed and Paid-up**

|   |                   |                   |
|---|-------------------|-------------------|
| 8193000 (Pr. Yr. 5193000) Equity Shares of Rs.10/- each fully paid up in cash | 81,930,000        | 51,930,000        |
|   | <b>81,930,000</b> | <b>51,930,000</b> |

**13.1 Terms and rights attached to equity shares**

The Company has only one class of Equity Shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per share. All shareholders carry equal rights as to dividend. 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 the proportion of the no. of equity shares held by the shareholder.

**Notes to Financials Statements for the year ended 31st March, 2019**

| Particulars | As at            |                  |
|-------------|------------------|------------------|
|             | 31st March, 2019 | 31st March, 2018 |

**13.2 The Details of Shareholders holding more than 5% shares in the company**

| Name of the Shareholders      | As at<br>31st March 2019 |              | As at<br>31st March 2018 |              |
|-------------------------------|--------------------------|--------------|--------------------------|--------------|
|                               | No. of shares            | % of holding | No. of shares            | % of holding |
| Yashraj Biotechnology Limited | 1435800                  | 17.52%       | 1435800                  | 28%          |
| Mr.Arvind Bhanushali          | 585500                   | 7.15%        | 585500                   | 11%          |
| Mrs.Deepali Bhanushali        | 585500                   | 7.15%        | 585500                   | 11%          |
| Dr.Pankaj Shah                | 500000                   | 6.10%        | 500000                   | 10%          |
| Mrs.Rinku Bhanushali          | 533500                   | 6.51%        | 533500                   | 10%          |
| Mr.Viond Bhanushali           | 516000                   | 6.30%        | 516000                   | 10%          |

**13.3 The reconciliation of the number of shares outstanding at the beginning and at the end of the year**

| Particulars                                      | As at           |                 | As at           |                 |
|--|-----------------|-----------------|-----------------|-----------------|
|  | 31st March 2019 | 31st March 2019 | 31st March 2018 | 31st March 2018 |
|  | No. of Shares   | ₹               | No. of Shares   | ₹               |
| Equity Shares at the beginning of the year       | 5,193,000       | 51,930,000      | 5,193,000       | 51,930,000      |
| Add:Shares issued during the year                | 3,000,000       | 30,000,000      | -               | -               |
| Equity Shares outstanding at the end of the year | 8,193,000       | 81,930,000      | 5,193,000       | 51,930,000      |

During the previous year, the company has allotted 30,00,000 equity shares of Rs. 10 each at an issue price of Rs. 17 each (including premium of Rs. 7 each) on preferential basis to promoter/promoter group and strategic investors not forming part of promoter group of company.

**13.4 Proposed Dividend on Equity shares**

| Particulars   | As at           |                 |
|---|-----------------|-----------------|
|   | 31st March 2019 | 31st March 2018 |
| Proposed dividend on equity shares for the year ended on 31 March 2019: | -               | -               |
| Dividend distribution tax on proposed dividend                          | -               | -               |
|   | <u>-</u>        | <u>-</u>        |



## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars   | As at<br>31st March, 2019  | As at<br>31st March, 2018  |
|---|----------------------------|----------------------------|
| <b>14 Other Equity</b>  |                            |                            |
| <b>(a) Security Premium Account</b>   |                            |                            |
| Opening Balance   | 31,701,000                 | 31,701,000                 |
| Add: Premium on shares issued during the year   | 21,000,000                 | -                          |
| <b>Closing Balance</b>  | <u>52,701,000</u>          | <u>31,701,000</u>          |
| <b>(b) Retained Earnings</b>  |                            |                            |
| Opening Balance   | (80,282,757)               | (24,470,015)               |
| Add: Net profit/(loss) for the year   | (51,829,332)               | (55,823,011)               |
| Remeasurement of defined benefit plans  | 97,461                     | 10,269                     |
| <b>Closing Balance</b>  | <u>(132,014,628)</u>       | <u>(80,282,757)</u>        |
| <b>(c) Equity Component of Redeemable Preference Shares<br/>(Compound Financial Instrument)</b> |                            |                            |
| Opening Balance   | -                          | -                          |
| Add: Equity Component of Compound Instrument  | 49,298,328                 | -                          |
| <b>Closing Balance</b>  | <u>49,298,328</u>          | <u>-</u>                   |
| <b>Total (a) + (b) + (c)</b>  | <u><b>(30,015,300)</b></u> | <u><b>(48,581,757)</b></u> |

**Securities premium**

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act")

**Retained Earnings**

Retained Earnings are the profits/(loss) that the Company has earned/incurred till date and adjustments done on transition to Ind AS, less any transfer to general reserve, dividends or other distributions paid to shareholders.

**15 Financial Liabilities- Long term Borrowings****(a) Secured loans**

|   |                          |                          |
|---|--------------------------|--------------------------|
| From banks  |                          |                          |
| -Term loans   | 30,685,018               | 36,524,766               |
| -Infrastructure loan  | 3,677,486                | 5,510,805                |
|   | <u>34,362,504</u>        | <u>42,035,571</u>        |
| Less: Current maturities of long term borrowings (Refer Note- 21) | 8,438,160                | 7,674,878                |
| <b>Total</b>  | <u><b>25,924,344</b></u> | <u><b>34,360,693</b></u> |

**Notes**

Term loan taken from HDFC bank is secured by hypothecation of Lab Equipments and Instruments. The loan has interest of HDFC bank's base rate plus 285 BPS. Term loan is repayable in 72 monthly installments from the date of first disbursement of Lab Equipment loan with Moratorium of 6 months.

Infrastructure loan taken from HDFC bank has interest of HDFC bank's base rate plus 270 BPS. Infrastructure loan is repayable in 48 monthly installments from the date of first disbursement.

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars  | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--|---------------------------|---------------------------|
| <b>(b) Unsecured Loans</b>   |                           |                           |
| From related parties   | -                         | 55,973,553                |
| From Others  | 15,799,364                | 14,697,173                |
| <b>Total</b>   | <b>15,799,364</b>         | <b>70,670,726</b>         |
| <b>(c) Liabilities Component of Compound Financial Instruments</b>                     |                           |                           |
| 9% Non convertible, Non Cumulative, Non Participating,<br>Redeemable Preference Shares | 6,112,192                 | -                         |
|  | <b>6,112,192</b>          | <b>-</b>                  |
| <b>Grand Total (a+b+c)</b>   | <b>47,835,900</b>         | <b>105,031,419</b>        |

During the previous year, the Company has allotted 55,00,000 Fully paid-up 9% Non convertible, Non Cumulative, Non Participating, Redeemable Preference Shares (NCRPS) of Face Value of Rs. 10 each at par to Yashraj Biotechnology Limited on conversion of unsecured loan. The company (issuer) has discretionary right to redeem Preference shares within a period not exceeding 20 years from the date of allotment and these preference shares shall rank prior in respect of payment of dividend or redemption amount compared to equity shareholders of the company and in the event of winding up, preferential rights over the equity shareholders in participating of surplus funds, surplus assets and profit of the company. These non convertible preference shares are separated into liability and equity components based on the terms of the contract. The Liability has been measured at amortised cost using effective interest rate of 12% over the tenure of 20 years and recognised as liability component of compound financial instruments. Interest on liability component is also recognised using the effective interest method.

16 **Other financial liabilities**

|  |                  |          |
|--|------------------|----------|
| Purchase Consideration Payable towards business takeover | 5,000,000        | -        |
|  | <b>5,000,000</b> | <b>-</b> |

17 **Long term provisions**

|  |                  |                |
|--|------------------|----------------|
| Provision for Gratuity (Refer Note No- 36) | 1,150,789        | 572,926        |
|  | <b>1,150,789</b> | <b>572,926</b> |

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars  | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--|---------------------------|---------------------------|
| <b>18 Financial Liabilities- Short term Borrowings</b> |                           |                           |
| <b>Repayable on Demand from Banks</b>                  |                           |                           |
| (a) Secured  |                           |                           |
| Overdraft facility from Bank                           | 19,648,872                | 854,422                   |
|  | <u><b>19,648,872</b></u>  | <u><b>854,422</b></u>     |

**Note**

Short term loans availed from Banks are secured by way of pledge of Fixed Deposits. Rate of interest is Fixed deposit rate plus 100 bps.

**19 TRADE PAYABLES**

|                                     |                         |                         |
|-------------------------------------|-------------------------|-------------------------|
| Dues of Micro and Small Enterprises | -                       | -                       |
| Dues of others                      | 2,881,302               | 2,270,908               |
|                                     | <u><b>2,881,302</b></u> | <u><b>2,270,908</b></u> |

**Note:**

Trade payables are generally non-interest bearing and settled upto 30 days term.

The Company has not received any intimation from the suppliers regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) and hence disclosure regarding the following has not been provided

- a) The Principal amount and interest due there on remaining unpaid to suppliers under MSMED as at the end of the accounting year,

|                      |   |   |
|----------------------|---|---|
| Principal            | - | - |
| Interest due thereon | - | - |

- b) Payment made to suppliers beyond the appointed day during the year

|                      |   |   |
|----------------------|---|---|
| Principal            | - | - |
| Interest due thereon | - | - |

- c) Amount of interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSMED

|   |   |
|---|---|
| - | - |
|---|---|

- d) Amount of interest accrued and remaining unpaid as on last day

|   |   |
|---|---|
| - | - |
|---|---|

- e) 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, 2006.

|   |   |
|---|---|
| - | - |
|---|---|

Creditors against business takeover

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars  | As at<br>31st March, 2019 | As at<br>31st March, 2018 |
|--|---------------------------|---------------------------|
| <b>20 Other financial liabilities</b>                      |                           |                           |
| Purchase Consideration Payable towards business takeover   | 4,800,000                 | -                         |
| Interest Payable   | 200,458                   | 150,944.00                |
| Payable towards Capital Goods                              | 5,000                     | 43,682                    |
| Provision for Lease Equalisation                           | 873,853                   | 743,516                   |
|  | <b><u>5,879,311</u></b>   | <b><u>938,142</u></b>     |
| <b>21 Other current financial liabilities</b>              |                           |                           |
| Current portion of long term borrowings (Refer Note No 15) | 8,438,160                 | 7,674,878                 |
| Audit Fees Payable   | 328,500                   | 324,000                   |
| Liabilities for Expenses                                   | 475,938                   | 606,141                   |
| Professional Tax Payable                                   | 15,075                    | 10,375                    |
| Salary Payable   | 3,025,583                 | 2,422,555                 |
| PF & ESI Payable   | 300,871                   | 247,059                   |
| TDS Payables   | 778,730                   | 858,709                   |
| Unearned revenue   | 98,795                    | -                         |
| Others   | 221,326                   | 155,501                   |
|  | <b><u>13,682,978</u></b>  | <b><u>12,299,218</u></b>  |
| <b>22 Short-term provisions</b>                            |                           |                           |
| Provision for taxation                                     | -                         | -                         |
| Provision for Gratuity (Refer Note No 36)                  | 3,926                     | 3,884                     |
|  | <b><u>3,926</u></b>       | <b><u>3,884</u></b>       |

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars                          | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|--------------------------------------|--|--|
| <b>23 Revenue from operations</b>    |  |  |
| Sale of services                     | 76,371,391                             | 43,577,567                             |
|                                      | <b><u>76,371,391</u></b>               | <b><u>43,577,567</u></b>               |
| <b>24 Other Income</b>               |  |  |
| Interest income                      |  |  |
| - Bank Deposits                      | 2,385,870                              | 1,663,945                              |
| -Others                              | 145,983                                | 541,222                                |
|                                      | <b><u>2,531,853</u></b>                | <b><u>2,205,167</u></b>                |
| <b>25 Cost of Material Consumed</b>  |  |  |
| <u>Material Consumed</u>             |  |  |
| Opening Stock of Raw Materials       | 3,694,400                              | 1,190,853                              |
| Add: Purchases                       | 21,664,835                             | 15,521,307                             |
|                                      | 25,359,235                             | 16,712,160                             |
| Less: Closing Stock of Raw Materials | 2,800,521                              | 3,694,400                              |
|                                      | <b><u>22,558,714</u></b>               | <b><u>13,017,760</u></b>               |
| <b>26 Employee benefit expenses</b>  |  |  |
| Salary & Bonus                       | 41,537,261                             | 32,037,234                             |
| Contribution to PF & ESI             | 1,966,215                              | 1,393,136                              |
| Gratuity expenses (refer note 36)    | 675,366                                | 436,442                                |
| Staff welfare                        | 557,325                                | 371,058                                |
|                                      | <b><u>44,736,167</u></b>               | <b><u>34,237,870</u></b>               |
| <b>27 Finance cost</b>               |  |  |
| Interest expenses                    | 9,364,113                              | 7,916,486                              |
| Loan processing fees                 | 110,696                                | 59,896                                 |
| Bank charges                         | 131,905                                | 72,101                                 |
|                                      | <b><u>9,606,713</u></b>                | <b><u>8,048,482</u></b>                |

## Notes to Financials Statements for the year ended 31st March, 2019

| Particulars                              | For the year ended<br>31st March, 2019 | For the year ended<br>31st March, 2018 |
|--|--|--|
| <b>28 Depreciation and amortisation</b>  |  |  |
| Depreciation of tangible assets          | 11,731,315                             | 10,708,151                             |
| Amortisation of intangible assets        | 552,422                                | 537,780                                |
|  | <u><b>12,283,737</b></u>               | <u><b>11,245,931</b></u>               |
| <b>29 Other Expenses</b>                 |  |  |
| Power & fuel charges                     | 4,938,367.00                           | 4,238,909.00                           |
| Rent , Rates & Taxes                     | 8,188,674.68                           | 7,775,230.00                           |
| Laboratory testing charges               | 2,071,743.00                           | 1,362,179.00                           |
| Repairs & maintenance                    |  |  |
| -Building                                | 4,800.00                               | 3,716.00                               |
| -Others                                  | 909,829.74                             | 402,968.01                             |
| Postage & Telegram                       | 79,138.00                              | 32,916.00                              |
| Printing & Stationery                    | 1,596,631.43                           | 1,308,093.73                           |
| Professional Charges                     | 5,175,737.00                           | 6,536,212.00                           |
| Advertising & Business promotion         | 720,396.76                             | 488,795.00                             |
| ROC & other statutory filing fees        | 3,244,364.50                           | 4,578,617.48                           |
| Royalty                                  | 500,000.00                             | 530,004.00                             |
| Insurance                                | 129,279.00                             | 10,353.00                              |
| Payment to Auditor (refer details below) | 315,000.00                             | 360,000.00                             |
| Communication expenses                   | 1,030,601.24                           | 1,300,442.57                           |
| Travelling & Conveyance                  | 2,180,376.00                           | 916,040.00                             |
| Computer expenses                        | 395,188.10                             | 193,653.00                             |
| Office expenses                          | 398,877.34                             | 605,358.00                             |
| Director sitting fees                    | 336,300.00                             | 336,600.00                             |
| Collection Charges                       | 4,184,183.00                           | 1,815,118.00                           |
| Logistic expenses                        | 3,140,195.00                           | 1,628,689.00                           |
| Brokerage & Commission                   | 419,400.00                             | -                                      |
| Provision for doubtful debts             | 402,815.00                             | -                                      |
| Sundry balances written off              | 638,105.62                             | 72,049.00                              |
| Miscellaneous Expenses                   | 546,064.70                             | 559,758.51                             |
| Total                                    | <u><b>41,546,067</b></u>               | <u><b>35,055,701</b></u>               |
| <b>Payment to auditor</b>                |  |  |
| -Audit Fees                              | 250,000                                | 250,000                                |
| -Tax Audit Fees                          | 15,000                                 | 50,000                                 |
| -Limited Review                          | 50,000                                 | 50,000                                 |
| -Certification fees                      | -                                      | 10,000                                 |
| -Others                                  | -                                      | -                                      |

**Notes to Financials Statements for the year ended 31st March, 2019****30. Earnings per share**

| <b>Particulars</b>   | <b>As at 31-Mar-19</b> | <b>As at 31-Mar-18</b> |
|--|------------------------|------------------------|
| Profit for the period - (in INR)                                     | (51,829,332)           | (55,823,011)           |
| Number of equity shares  | 8,193,000              | 5,193,000              |
| Weighted average number of equity shares outstanding during the year | 6,993,000              | 5,193,000              |
| Basic earnings per share of ₹ 10 each                                | (6.33)                 | (10.75)                |
| Diluted earnings per share of ₹ 10 each                              | (7.41)                 | (10.75)                |
| Face value per share - (in ₹)  | 10.00                  | 10.00                  |

Weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

**31. Income tax**

The Company is subject to Indian Income Tax Act, 1961. The Company is assessed for tax on taxable profits determined for each fiscal year beginning on 1 April and ending on 31 March. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India ("Indian GAAP") adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of property, plant and equipment, disallowances of certain provisions and accruals, deduction for tax holidays and similar exemptions, the use of tax losses carried forward and retirement benefit costs. Statutory income tax is charged at 25% plus a surcharge and education cess. The combined Indian statutory tax rate for the fiscal year 2017-18 was 25.75% and for the fiscal year 2018-19 was 26 %.

Income tax returns submitted by companies are regularly subjected to a comprehensive review and challenge by the tax authorities.

**31.1 Income tax recognised in profit**

(in INR)

| <b>Particulars</b>  | <b>As at 31-Mar-19</b> | <b>As at 31-Mar-18</b> |
|---|------------------------|------------------------|
| <b>Current tax</b>  |                        |                        |
| In respect of the current year                                    | -                      | -                      |
| In respect of the prior years                                     | 1,178.00               | -                      |
|   | <u>1,178</u>           | <u>-</u>               |
| <b>Deferred tax</b>   |                        |                        |
| In respect of the current year                                    | -                      | -                      |
| In respect of the prior years                                     | -                      | -                      |
|   | <u>-</u>               | <u>-</u>               |
| <b>Total income tax expenses recognised in the current period</b> | <u><u>1,178</u></u>    | <u><u>-</u></u>        |

**32. Capital and other commitments :**

|  | <b>As at 31-Mar-19</b> | <b>As at 31-Mar-18</b> |
|--|------------------------|------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | -                      | -                      |

**33. Contingent liabilities (not provided for) in respect of:**

|   | <b>As at 31-Mar-19</b> | <b>As at 31-Mar-18</b> |
|---|------------------------|------------------------|
| a) Claims against the Company by a vendor not acknowledged as debts*<br>(As per the Company, these claims are not tenable and therefore no provision is required) | -                      | -                      |
| b) Other claims against the Company not acknowledged as debts   | -                      | -                      |

Based on the status of the case, the management believes that the Company has strong chances of success in above mentioned case and hence no provision there against is considered necessary at this point in time as the likelihood of liability devolving on the Company is less than probable.

**34. Segment information****Primary segments: Business Segment**

The Company is solely engaged in the business of running laboratories for carrying out Pathological investigations in various branches of Bio-chemistry, Hematology, Histopathology, Microbiology, Immuno-chemistry, Immunology, Virology, Cytology, other pathological and radiological investigations. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments', notified under the Companies (Indian Accounting Standard) Rules, 2015."

**Secondary Segments: Geographical Segments**

The analysis of geographical segment is based on geographical location of its customers. The following table shows the distribution of the Company's consolidated revenue and trade receivables by geographical market:

|                          | <b>31-Mar-19</b>       | <b>31-Mar-18</b>       |
|--------------------------|------------------------|------------------------|
| <b>Revenue</b>           |                        |                        |
| -India                   | 76,371,391             | 43,577,567             |
| -Outside India           | -                      | -                      |
| <b>Total Revenue</b>     | <u>76,371,391</u>      | <u>43,577,567</u>      |
|                          | <b>As at 31-Mar-19</b> | <b>As at 31-Mar-18</b> |
| <b>Trade receivable</b>  |                        |                        |
| -India                   | 7,961,273              | 3,547,628              |
| -Outside India           | -                      | -                      |
| <b>Total Receivables</b> | <u>7,961,273</u>       | <u>3,547,628</u>       |

No single customers contributed more than 10% or more to the Company's revenue during the years ended 31 March, 2018 and 31 March, 2019.



**35. Operating Lease Arrangements****The Company as a lessee**

Once premises are obtained on operating lease. The lease terms range from 3-5 years and are generally cancellable at the option of the either party. However, there is lock in period in case of few leases. Future minimum lease payments are as follows:

**Payments recognised as an expenses**

| Particulars                 | Year ended     | Year ended     |
|-----------------------------|----------------|----------------|
|                             | 31 March, 2019 | 31 March, 2018 |
| Minimum lease payments      | 7,934,090      | 7,159,735      |
| Sub-lease payments received | -              | -              |

**Non-cancellable operating lease commitments**

| Particulars                                       | As at          | As at          |
|---|----------------|----------------|
|   | 31 March, 2019 | 31 March, 2018 |
| Not later than one year                           | -              | -              |
| Later than one year but not later than five years | 3,083,956      | 2,742,250      |
| Later than five years                             | -              | -              |

The Company has assessed the conditions as specified in the Ind AS -17 'Leases', for determining whether the said arrangement is under operating lease or finance lease. Based on the evaluation determination of Finance Lease or Operating Lease has been done.

**36. Employee Benefit Plans****36.1 Defined Contribution Plans**

Employee benefit under defined contribution plan comprising of provident fund and ESI scheme is recognised based on the amount of obligation of the Company to contribute to the plan. The contribution is paid to Provident Fund authorities which is expensed during the year.

The total expenses recognised in statement of profit and loss Rs.19,66,215/- (for the year ended 31 March, 2018: Rs.13,93,136/- ) represents contributions payable to provident fund & ESI Scheme by the Company at rates specified in the rules of the plans. As at 31 March, 2019, contributions of Rs.1,49,864/- (as at 31 March, 2018: Rs.1,33,946/-) due in respect of 2018-19 (2017-18) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

**36.2 Defined benefit plans**

The Group has a defined benefit gratuity plan which is unfunded. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of six months. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit method with actuarial valuations being carried out at each balance sheet date.

**36.3 The Company is exposed to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.**

**Longevity risk** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**36.4 Actuarial Assumptions - Gratuity**

| Date of Valuation       | As at  | As at  |
|-------------------------|--|--|
|                         | 31 March, 2019                                   | 31 March, 2018                                   |
| Discount rate           | 7.70%p.a.  | 7.65%p.a.  |
| Rate of salary increase | 7.00%p.a.  | 7.00%p.a.  |
| Rate of return          | NA   | NA   |
| Retirement age          | 60 Years   | 60 Years   |
| Attrition rate          | 2 to 10 %  | 2 to 10 %  |
| Mortality table         | Indian Assured<br>Lives Mortality<br>(2006-2008) | Indian Assured<br>Lives Mortality<br>(2006-2008) |

**36.5 Amounts recognised in the financial statements before allocation in respect of these defined benefit plans are as follows:**

| Particulars  | Year ended      | Year ended      |
|--|-----------------|-----------------|
|  | 31 March, 2019  | 31 March, 2018  |
| <b>Service Cost :</b>  |                 |                 |
| Current service cost   | 631,389         | 350,920         |
| Past service cost and (gain)/loss from settlements                                 | -               | 74,788          |
| Net interest expense   | 43,977          | 10,734          |
| <b>Components of defined benefit costs recognised in employee benefit expenses</b> | <b>675,366</b>  | <b>436,442</b>  |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                 |                 |
| Return on plan assets (excluding amounts included in net interest expense)         | -               | -               |
| Actuarial (gains)/losses arising from changes in demographic assumptions           | -               | -               |
| Actuarial (gains)/losses arising from changes in financial assumptions             | (6,859)         | (32,388)        |
| Actuarial (gains)/losses arising from experience adjustments                       | (90,602)        | 22,119          |
| <b>Components of remeasurement</b>   | <b>(97,461)</b> | <b>(10,269)</b> |
| <b>Total</b>   | <b>577,905</b>  | <b>426,173</b>  |

**36.6 Movements in the present value of the defined benefit obligation:**

| Particulars  | Year ended       | Year ended     |
|--|------------------|----------------|
|  | 31 March, 2019   | 31 March, 2018 |
| Opening defined benefit obligation   | 576,810          | 150,637        |
| Current service cost   | 631,389          | 350,920        |
| Past service cost and (gain)/loss from settlements                         | -                | 74,788         |
| Net interest expense   | 43,977           | 10,734         |
| Return on plan assets (excluding amounts included in net interest expense) | -                | -              |
| Actuarial (gains)/losses arising from changes in demographic assumptions   | -                | -              |
| Actuarial (gains)/losses arising from changes in financial assumptions     | (6,859)          | (32,388)       |
| Actuarial (gains)/losses arising from experience adjustments               | (90,602)         | 22,119         |
| Benefits paid  | -                | -              |
| Closing defined benefit obligation   |                  |                |
| <b>Total</b>   | <b>1,154,715</b> | <b>576,810</b> |

**36.7 The amount included in the Standalone Balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows :**

| Particulars  | (in INR, unless otherwise stated) |                |
|--|-----------------------------------|----------------|
|  | As at                             | As at          |
|  | 31 March, 2019                    | 31 March, 2018 |
| Present value of funded defined benefit obligation           | 1,154,715                         | 576,810        |
| Fair value of plan assets                                    | -                                 | -              |
| <b>Net liability arising from defined benefit obligation</b> | <b>1,154,715</b>                  | <b>576,810</b> |

**37. Related Party Disclosures****I. Names of related parties and related party relationship****a. Entities in which key managerial personnel can exercise significant influence**

- Yashraj Biotechnology Limited

**b. Key managerial personnel**

-Dr.Pankaj Shah-Managing Director

-Arvind K Bhanushali- Executive Director

-Paresh Bhanji Bhanushali- Executive Director (upto 27.10.2018)

-Chander Prakash Puri- CEO & Executive Director (upto 31.03.2019)

-Balkrishna Subhash Talawadkar- CFO

-Mamta Nilesh Mav- Company Secretary

-Avinash Chander Mahajan-Chairman & Independent Director

-Abhay Sadashiv Chowdhary- Independent Director (w.e.f 29.09.2018)

-Mangala Radhakrishna Prabhu - Independent Director

-Vandana Sachin Bhansali- Independent Director

-Subhash Raghunath Salunke- Independent Director

**c. Relatives of key management personnel**

- Dr.Snehal Shah (wife of Dr.Pankaj Shah)
- Smt. Shashibala J. Shah (mother of Dr.Pankaj Shah)
- Mrs.Deepali Bhanushali (wife of Mr.Arvind Bhanushali)
- Mr. Yash Bhanushali (Son of Mr.Arvind Bhanushali)
- Dr. Vipla Puri (Wife of Mr. Chandra Prakash Puri- CEO & Executive Director)

**II. Transactions/Outstanding balances with related parties during the year**

(Figures in bracket relates to previous year)

(in INR, unless otherwise stated)

| Particulars                               | Entities in<br>which key<br>management<br>personnel<br>can exercise<br>significant<br>influence | Key<br>Management<br>Personnel | Relatives<br>of Key<br>Management<br>Personnel | Grand<br>Total |
|---|---|--------------------------------|--|----------------|
| <b>A. Transactions during the year</b>    |   |                                |  |                |
| <b>a. Salary &amp; Remuneration</b>       |   |                                |  |                |
| - Dr.Pankaj Shah                          | -   | 5,815,000                      | -  | 5,815,000      |
|   |   | (5,015,000)                    | -  | (5,015,000)    |
| -Chander Prakash Puri                     | -   | 3,040,000                      |  | 3,040,000      |
|   |   | (1,934,355)                    |  | (1,934,355)    |
| -Balkrishna Subhash Talawadekar           | -   | 688,400                        |  | 688,400        |
|   |   | (590,400)                      |  | (590,400)      |
| -Mamta Nilesh Mav                         | -   | 336,616                        |  | 336,616        |
|   |   | (91,912)                       |  | (91,912)       |
| <b>b. Loan received</b>                   |   |                                |  |                |
| -Mr.Arvind K Bhanushali                   |   | -                              | -  | 558,468        |
|   |   | (5,445,737)                    | -  | (5,445,737)    |
| -Yashraj Biotechnology Limited            | 12,164,932  |                                | -  | 12,164,932     |
|   | (56,081,726)  |                                |  | (56,081,726)   |
| <b>C. Loan repaid</b>                     |   |                                |  |                |
| -Mr.Arvind K Bhanushali                   |   | 5,445,737                      |  | 5,445,737      |
| -Yashraj Biotechnology Limited            |   |                                |  |                |
| Conversion of loan into Preference Shares | 55,000,000  |                                |  | 55,000,000     |
| Repaid                                    | 13,138,485  |                                |  | 13,138,485     |
| <b>d. Issue of Preference Shares</b>      |   |                                |  |                |
| -Yashraj Biotechnology Limited            | 55,000,000  |                                |  | 55,000,000     |

|  |              |             |              |
|--|--------------|-------------|--------------|
| <b>e. Sale of Service</b>                  |              |             |              |
| -Yashraj Biotechnology Limited             | 3,060,347    |             | 3,060,347    |
|  | (994,982)    |             | (994,982)    |
| -Mr.Arvind K Bhanushali                    |              | 558,468     | 558,468      |
|  |              | -           | -            |
| <b>f. Royalty Paid</b>                     |              |             |              |
| - Dr.Pankaj Shah                           |              | 500,000     | 500,000      |
|  |              | (500,004)   | (500,004)    |
| <b>g. Professional/Consultancy Fees</b>    |              |             |              |
| -Dr. Snehal Shah                           |              | 660,000     | 660,000      |
|  |              | (500,004)   | (500,004)    |
| <b>h . Rent Expenses</b>                   |              |             |              |
| - Dr.Pankaj Shah                           |              | 900,000     | 900,000      |
|  |              | (954,000)   | (954,000)    |
| - Smt. Shashibala J. Shah                  |              | 1,889,476   | 1,889,476    |
|  |              | (1,788,250) | (1,788,250)  |
| <b>i . Directors Sitting Fees</b>          |              | 285,000     |              |
|  |              | (309,600)   |              |
| <b>B. Outstanding Balances at year end</b> |              |             |              |
| <b>a. Loan</b>                             |              |             |              |
| - Yashraj Biotechnology Limited            |              | -           | -            |
|  | (55,973,553) |             | (55,973,553) |
| <b>b. Salary &amp; Remuneration</b>        |              |             |              |
| -Pankaj Shah                               |              | 402,000     | 402,000      |
| -Chander Prakash Puri                      |              | 205,000     | 205,000      |
| -Balkrishna Subhash Talawadekar            |              | 51,700      | 51,700       |
| -Mamta Nilesh Mav                          |              | 22,735      | 22,735       |
| <b>c. Trade Recievables</b>                |              |             |              |
| -Yashraj Biotechnology Limited             | 927,358      |             | 927,358      |
|  | (69,997)     |             | (69,997)     |
| -Mr.Arvind K Bhanushali                    |              | 558,468     | 558,468      |
| <b>d. Consultancy Fees Payable</b>         |              |             |              |
| -Dr. Snehal Shah                           |              | 49,500      | 49,500       |
|  |              | (41,667)    | (41,667)     |

**d. Royalty Payable**

|                  |        |        |
|------------------|--------|--------|
| - Dr.Pankaj Shah | 37,496 | 37,496 |
|                  | -      | -      |

**e. Rent Expenses**

|                           |        |         |
|---------------------------|--------|---------|
| - Dr.Pankaj Shah          | 67,500 | 67,500  |
|                           | -      | -       |
| - Smt. Shashibala J. Shah | 148838 | 148,838 |
|                           | -      | -       |

**38. Financial Instruments****(a) Capital Management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The Company has investments in fixed deposits with banks, where there is no risk.

The Company has following outstanding debt as at the end of reporting periods. Gearing ratio as at 31 March, 2019 & 31 March, 2018 is as under.

| Particulars           | As at          | As at          |
|-----------------------|----------------|----------------|
|                       | 31 March, 2019 | 31 March, 2018 |
| Long Term Liabilities | 75,922,931     | 113,560,719    |
| Capital Employed      | 51,914,700     | 3,348,243      |
| Gearing Ratio         | 1.46           | 33.92          |

**(b) Financial risk management objective and policies**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

**(c) Financial assets and liabilities:**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

**As at 31 March, 2019**

| Financial Assets  | FVTPL | FVTOCI | Amortised<br>Cost | Total             | Carrying<br>Value |
|---|-------|--------|-------------------|-------------------|-------------------|
| Investments   | -     | -      | -                 | -                 | -                 |
| Trade receivables   | -     | -      | 7,961,273         | 7,961,273         | 7,961,273         |
| Cash and cash equivalents                                   | -     | -      | 964,230           | 964,230           | 964,230           |
| Bank balances other than cash and<br>cash equivalents above | -     | -      | 32,500,000        | 32,500,000        | 32,500,000        |
| Other financial assets                                      | -     | -      | 14,804,262        | 14,804,262        | 14,804,262        |
| <b>Total</b>  | -     | -      | <b>56,229,765</b> | <b>56,229,765</b> | <b>56,229,765</b> |

| Financial Assets            | FVTPL | FVTOCI | Amortised<br>Cost | Total             | Carrying<br>Value |
|-----------------------------|-------|--------|-------------------|-------------------|-------------------|
| Borrowings                  | -     | -      | 67,484,771        | 67,484,771        | 67,484,771        |
| Trade payables              | -     | -      | 2,881,302         | 2,881,302         | 2,881,302         |
| Other financial liabilities | -     | -      | 19,562,289        | 19,562,289        | 19,562,289        |
| <b>Total</b>                | -     | -      | <b>89,928,362</b> | <b>89,928,362</b> | <b>89,928,362</b> |

**As at 31 March, 2018**

| Financial Assets   | FVTPL | FVTOCI | Amortised<br>Cost | Total             | Carrying<br>Value |
|--|-------|--------|-------------------|-------------------|-------------------|
| Investments  | -     | -      | -                 | -                 | -                 |
| Trade receivables  | -     | -      | 3,547,628         | 3,547,628         | 3,547,628         |
| Cash and cash equivalents                                | -     | -      | 2,210,044         | 2,210,044         | 2,210,044         |
| Bank balances other than cash and cash equivalents above | -     | -      | 22,500,000        | 22,500,000        | 22,500,000        |
| Other financial assets                                   | -     | -      | 14,315,056        | 14,315,056        | 14,315,056        |
| <b>Total</b>   | -     | -      | <b>42,572,728</b> | <b>42,572,728</b> | <b>42,572,728</b> |

| Financial Assets            | FVTPL | FVTOCI | Amortised<br>Cost  | Total              | Carrying<br>Value  |
|-----------------------------|-------|--------|--------------------|--------------------|--------------------|
| Borrowings                  | -     | -      | 105,885,841        | 105,885,841        | 105,885,841        |
| Trade payables              | -     | -      | 2,270,908          | 2,270,908          | 2,270,908          |
| Other financial liabilities | -     | -      | 13,237,360         | 13,237,360         | 13,237,360         |
| <b>Total</b>                | -     | -      | <b>121,394,109</b> | <b>121,394,109</b> | <b>121,394,109</b> |

**(d) Risk management framework**

The Company's business is subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The company's risk management process is in line with the Corporate policy. Each significant risk has a designated 'owner' within the company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

**Financial risk**

The Company's Board approves financial risk policies comprising liquidity, foreign currency, interest rate and counterparty credit risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimise interest through proven financial instruments.

- (i) **Liquidity risk** The Company requires funds for short-term operational needs. The Company remains committed to maintain a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liabilities and realisability of financial assets based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual cash obligation of the company. (In INR unless otherwise stated)

|   | (As at 31 March, 2019) |                   |                   |
|---|------------------------|-------------------|-------------------|
|   | < 1 year               | 1-3 years         | Total             |
| <b>Non-current</b>                      |                        |                   |                   |
| Other non current financial liabilities | 19,648,872             | 47,835,900        | 67,484,771        |
| <b>Current</b>                          |                        |                   |                   |
| Trade payables                          | 2,881,302              | -                 | 2,881,302         |
| Other current financial liabilities     | 19,562,289             | -                 | 19,562,289        |
| <b>Total</b>                            | <b>42,092,463</b>      | <b>47,835,900</b> | <b>89,928,362</b> |

|   | (As at 31 March, 2018) |                    |                    |
|---|------------------------|--------------------|--------------------|
|   | < 1 year               | 1-3 years          | Total              |
| <b>Non-current</b>                      |                        |                    |                    |
| Other non current financial liabilities | 854,422                | 105,031,419        | 105,885,841        |
| <b>Current</b>                          |                        |                    |                    |
| Trade payables                          | 2,270,908              | -                  | 2,270,908          |
| Other current financial liabilities     | 13,237,360             | -                  | 13,237,360         |
| <b>Total</b>                            | <b>16,362,690</b>      | <b>105,031,419</b> | <b>121,394,109</b> |

The following table below details the Company's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

|  | (As at 31 March, 2019) |                   |                   |
|--|------------------------|-------------------|-------------------|
|  | < 1 year               | 1-3 years         | Total             |
| Investments  | -                      | -                 | -                 |
| Trade receivables  | 7,961,273              | -                 | 7,961,273         |
| Cash and cash equivalents                                | 964,230                | -                 | 964,230           |
| Bank balances other than cash and cash equivalents above | -                      | 32,500,000        | 32,500,000        |
| Loans  | -                      | -                 | -                 |
| Other financial assets                                   | 11,263,688             | 3,540,574         | 14,804,262        |
| <b>Total</b>   | <b>20,189,191</b>      | <b>36,040,574</b> | <b>56,229,765</b> |



| Financial Assets   | (As at 31 March, 2018) |                   |                   |
|--|------------------------|-------------------|-------------------|
|  | < 1 year               | 1-3 years         | Total             |
| Investments  | -                      | -                 | -                 |
| Trade receivables  | 3,547,628              | -                 | 3,547,628         |
| Cash and cash equivalents                                | 2,210,044              | -                 | 2,210,044         |
| Bank balances other than cash and cash equivalents above | -                      | 22,500,000        | 22,500,000        |
| Loans  | -                      | -                 | -                 |
| Other financial assets                                   | 8,439,538              | 5,875,518         | 14,315,056        |
| <b>Total</b>   | <b>14,197,210</b>      | <b>28,375,518</b> | <b>42,572,728</b> |

As at 31 March, 2019, the Company had access to funding facilities of Rs. 225.00 Lakhs (entire amount not drawn) as set out below:

|   | (In INR unless otherwise stated) |            |           |
|---|----------------------------------|------------|-----------|
|   | Total Facility                   | Drawn      | Undrawn   |
| Unsecured cash credit facility, reviewed annually and payable at call | 22,500,000                       | 19,648,872 | 2,851,128 |

As at 31 March, 2018, the Company had access to funding facilities of Rs. 75.00 Lakhs (entire amount not drawn) as set out below:

|   | (In INR unless otherwise stated) |         |           |
|---|----------------------------------|---------|-----------|
|   | Total Facility                   | Drawn   | Undrawn   |
| Unsecured cash credit facility, reviewed annually and payable at call | 7,500,000                        | 854,422 | 6,645,578 |
| <b>Total</b>  |                                  |         |           |

#### Interest rate risk

Fixed rate financial assets are largely interest bearing fixed deposits held by the Company. The returns from these financial assets are linked to bank rate notified by Reserve Bank of India as adjusted on periodic basis. The Company does not charge interest on overdue trade receivables. Trade payables are non interest bearing and are normally settled up to 30 days terms.

The exposure of the Company's financial assets as at 31 March, 2019 to interest rate risk is as follows:

|                        | (In INR unless otherwise stated) |                   |                           |                   |
|------------------------|----------------------------------|-------------------|---------------------------|-------------------|
|                        | Floating Rate                    | Fixed Rate        | Non Interest Bearing Rate | Total             |
| <b>Non-current</b>     |                                  |                   |                           |                   |
| Loans                  | -                                | 3,540,574         | -                         | 3,540,574         |
| Other financial assets | -                                | 32,500,000        | -                         | 32,500,000        |
|                        | -                                | <b>36,040,574</b> | -                         | <b>36,040,574</b> |

**Current**

|  |   |   |                   |                   |
|--|---|---|-------------------|-------------------|
| Investments  | - | - | -                 | -                 |
| Trade receivables  | - | - | 7,961,273         | 7,961,273         |
| Cash and cash equivalents                                | - | - | 964,230           | 964,230           |
| Bank balances other than cash and cash equivalents above | - | - | -                 | -                 |
| Loans  | - | - | -                 | -                 |
| Other financial assets                                   | - | - | 11,263,688        | 11,263,688        |
| <b>Total</b>   | - | - | <b>20,189,191</b> | <b>20,189,191</b> |

The exposure of the Company's financial liabilities as at 31 March, 2019 to interest rate risk is as follows:

(In INR unless otherwise stated)

|                        | <b>Floating<br/>Rate</b> | <b>Fixed<br/>Rate</b> | <b>Non Interest<br/>Bearing Rate</b> | <b>Total</b>      |
|------------------------|--------------------------|-----------------------|--------------------------------------|-------------------|
| Long term borrowings   | 25,924,344               | 15,799,364            | -                                    | 41,723,708        |
| Long term provisions   | -                        | -                     | 1,150,789                            | 1,150,789         |
| Deferred Tax Liability | -                        | -                     | -                                    | -                 |
|                        | <b>25,924,344</b>        | <b>15,799,364</b>     | <b>1,150,789</b>                     | <b>42,874,497</b> |

**Current**

|                             |   |   |                   |                   |
|-----------------------------|---|---|-------------------|-------------------|
| Trade payables              | - | - | 2,881,302         | 2,881,302         |
| Other financial liabilities | - | - | 39,215,087        | 39,215,087        |
| <b>Total</b>                | - | - | <b>42,096,389</b> | <b>42,096,389</b> |

The exposure of the Company's financial assets as at 31 March, 2018 to interest rate risk is as follows:

(In INR unless otherwise stated)

|  | <b>Floating<br/>Rate</b> | <b>Fixed<br/>Rate</b> | <b>Non Interest<br/>Bearing Rate</b> | <b>Total</b>      |
|--|--------------------------|-----------------------|--------------------------------------|-------------------|
| <b>Non-current</b>                                       |                          |                       |                                      |                   |
| Loans  | -                        | 3,375,518             | 2,500,000                            | 5,875,518         |
| Other financial assets                                   | -                        | 22,500,000            | -                                    | 22,500,000        |
|  | -                        | <b>25,875,518</b>     | <b>2,500,000</b>                     | <b>28,375,518</b> |
| <b>Current</b>   |                          |                       |                                      |                   |
| Investments  | -                        | -                     | -                                    | -                 |
| Trade receivables  | -                        | -                     | 3,547,628                            | 3,547,628         |
| Cash and cash equivalents                                | -                        | -                     | 2,210,044                            | 2,210,044         |
| Bank balances other than cash and cash equivalents above | -                        | -                     | -                                    | -                 |
| Loans  | -                        | -                     | -                                    | -                 |
| Other financial assets                                   | -                        | -                     | 8,439,538                            | 8,439,538         |
| <b>Total</b>   | -                        | -                     | <b>14,197,210</b>                    | <b>14,197,210</b> |

The exposure of the Company's financial liabilities as at 31 March, 2018 to interest rate risk is as follows:

(In INR unless otherwise stated)

|                             | Floating<br>Rate  | Fixed<br>Rate     | Non Interest<br>Bearing Rate | Total              |
|-----------------------------|-------------------|-------------------|------------------------------|--------------------|
| <b>Non-current</b>          |                   |                   |                              |                    |
| Long term borrowings        | 34,360,693        | 70,670,726        | -                            | 105,031,419        |
| Long term provisions        | -                 | -                 | 572,926                      | 572,926            |
| Deferred Tax Liability      | -                 | -                 | -                            | -                  |
|                             | <b>34,360,693</b> | <b>70,670,726</b> | <b>572,926</b>               | <b>105,604,345</b> |
| <b>Current</b>              |                   |                   |                              |                    |
| Trade payables              | -                 | -                 | 2,270,908                    | 2,270,908          |
| Other financial liabilities | -                 | -                 | 14,095,666                   | 14,095,666         |
| <b>Total</b>                | <b>-</b>          | <b>-</b>          | <b>16,366,574</b>            | <b>16,366,574</b>  |

#### Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the assets balance at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

| Particulars   | Year ended     | Year ended     |
|---|----------------|----------------|
|   | 31 March, 2019 | 31 March, 2018 |
| Impact on profit or loss for the year for increase in interest rate | 259,243        | 343,607        |
| Impact on profit or loss for the year for decrease in interest rate | (259,243)      | (343,607)      |

#### (iii) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, investments and loans.

Credit risk management considers available reasonable and supportable forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes.

None of the Company's cash equivalents are past due or impaired. Regarding trade and other receivables, the Company has accounted for impairment based on expected credit losses method as at 31 March, 2019 & 31 March, 2018 based on expected probability of default.

39. The Company don't have any foreign currency exposure during the year.
40. Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification.
41. The Standalone Financial Statements were approved by the Board of Directors and authorised for issue on 18th May, 2019.

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As per our report of even date annexed

**For P KHETAN & CO**

Chartered Accountants

F.R.N. 327386E

(Pankaj Kumar Khetan)

Partner

Membership No. 066080

Date: 18th May, 2019

Place: Mumbai

For and on behalf of the Board of Directors

Sd/-

Dr. Pankaj shah

Managing Director

DIN-02836324

Sd/-

Balakrishna Talawadekar

Chief Financial Officer

Sd/-

Arvind K Bhanushali

Director

DIN-00011903

Sd/-

Mamta Mav

Company Secretary

To,

**Sharex Dynamic India Pvt.Ltd**

Unit: Aspira Pathlab & Diagnostics Limited

Unit-1, Luthra Ind.Premises,

1st Floor,44-E, M Vasanti Marg,

Andheri-Kurla Rd, Safeed pool,

Andheri East, Mumbai-400 072

**Updation of Shareholder Information**

**I / We request you to record the following information against my / our Folio No.:**

**General Information:**

|  |  |
|--|--|
| Folio No.:                             |  |
| Name of the first named Shareholder:   |  |
| PAN: *                                 |  |
| CIN / Registration No.: *              |  |
| (applicable to Corporate Shareholders) |  |
| Tel No. with STD Code:                 |  |
| Mobile No.:                            |  |
| Email Id:                              |  |

\*Self attested copy of the document(s) enclosed

|                      |  |
|----------------------|--|
| Bank Details:        |  |
| IFSC:                |  |
| (11 digit)           |  |
| MICR:                |  |
| (9 digit)            |  |
| Bank A/c Type:       |  |
| Bank A/c No.: @      |  |
| Name of the Bank:    |  |
| Bank Branch Address: |  |

@ A blank cancelled cheque is enclosed to enable verification of bank details

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / Beneficiary account.

Place: \_\_\_\_\_

Date: \_\_\_\_\_

Signature of Sole / First holder

# ASPIRA PATHLAB & DIAGNOSTICS LIMITED

Regd., Office: Flat No. 2, R.D. Shah Bldg., Shraddhanand Road, Opp. Ghatkopar Railway Station,  
Ghatkopar (West), Mumbai-400086 CIN : L85100MH1973PLC289209

## ATTENDANCE SLIP

**46th Annual General Meeting ON SATURDAY, SEPTEMBER 21, 2019 AT 11.00 A.M.**

**At Lantana Hall, Ghatkopar Jolly Gymkhana, Jugaldas Modi Marg, (Kiroi Road), Ghatkopar (West), Mumbai- 400 086**

| Folio No. | DP ID No. | Client ID No. |
|-----------|-----------|---------------|
|           |           |               |

I/We hereby certify that I am a registered shareholder/proxy of registered shareholder of the Company.

I/We hereby record my presence at the 46<sup>th</sup> Annual General Meeting of the Company to be held on **Saturday, September 21, 2019** at 11.00 a.m. at Lantana Hall, Ghatkopar Jolly Gymkhana, Jugaldas Modi Marg, (Kiroi Road), Ghatkopar (West), Mumbai- 400 086, Maharashtra.

|                          |                  |
|--------------------------|------------------|
| Name of the Member:      | Signature: _____ |
| Name of the Proxyholder: | Signature: _____ |

### Notes:

1. Only Member/Proxyholder can attend the Meeting.
2. Please complete the folio No./DP ID No. Client ID No. and name of the Member/Proxyholder, sign this attendance slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxyholder attending the meeting should bring copy of the Annual Report for reference at the meeting.

# ASPIRA PATHLAB & DIAGNOSTICS LIMITED

Regd., Office: Flat No. 2, R.D. Shah Bldg., Shraddhanand Road, Opp. Ghatkopar Railway Station,  
Ghatkopar (West), Mumbai-400086 **CIN** : L85100MH1973PLC289209

## FORM NO MGT-11 (PROXY FORM)

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014)

|                         |  |
|-------------------------|--|
| Name of the Member(s) : |  |
| Registered Address :    |  |
| E mail Id :             |  |
| Folio No / Client ID:   |  |
| DP ID :                 |  |

I / We, being the member(s) of      shares of the above named company, hereby appoint:

|          |  |           |  |
|----------|--|-----------|--|
| 1 Name   |  |           |  |
| Address  |  |           |  |
| Email ID |  | Signature |  |

Or failing him/her

|          |  |           |  |
|----------|--|-----------|--|
| 1 Name   |  |           |  |
| Address  |  |           |  |
| Email ID |  | Signature |  |

Or failing him/her

|          |  |           |  |
|----------|--|-----------|--|
| 1 Name   |  |           |  |
| Address  |  |           |  |
| Email ID |  | Signature |  |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 46<sup>th</sup> **Annual General Meeting** of the Company, to be held on **Saturday, September 21, 2019** at 11.00 a.m at Lantana Hall, Ghatkopar Jolly Gymkhana, Jugaldas Modi Marg, (Kiro Road), Ghatkopar (West), Mumbai- 400 086 and at any adjournment thereof in respect of such resolutions as are indicated below :

| ResolutionNo. | Resolutions  | Vote For | Against |
|---------------|--|----------|---------|
| 1.            | To receive, consider and adopt audited financial statements of the Company for the financial year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon. |          |         |
| 2.            | To appoint Shri. Arvind Bhanushali, who retires by rotation as a Director, and being eligible, offers himself for re- appointment.   |          |         |
| 3.            | To re-appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the 51st Annual General Meeting and to fix their remuneration                        |          |         |
|               | <b>Special Business</b>  |          |         |
| 4.            | To appoint Dr. Haseeb Drabu as an Independent Director and Chairman.   |          |         |
| 5.            | Re-appointment of Ms. Vandana Bhansali (DIN: 06916248) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.               |          |         |
| 6.            | Re-Appointment of Dr. Pankaj Shah (DIN: 02836324), as Managing Director of the Company:  |          |         |
| 7.            | To approve the issue of Equity Shares on Preferential Basis  |          |         |
| 8.            | Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013.  |          |         |
| 9.            | Creation of charge / mortgage etc. on Company's movable or immovable properties in terms of Section 180 (1) (a) of the Companies Act, 2013   |          |         |

|                                     |
|-------------------------------------|
| Affix<br>Revenue<br>Stamp<br>Re 1/- |
|-------------------------------------|

Signed this \_\_\_\_ day of \_\_\_\_ 2019

Signature of member(s)

\_\_\_\_\_  
Signature of first Proxy holder

\_\_\_\_\_  
Signature of Second Proxy holder

\_\_\_\_\_  
Signature of third Proxy holder

**Notes:**

1. The Proxy form, in order to be effective should be completed, duly signed and stamped and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the aforesaid meeting.
2. A proxy need not be member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
4. This is only optional. Please indicate your option by putting an 'X' in the appropriate column against the resolutions indicated. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the matter as he/she thinks appropriate.



## Aspira Pathlab & Diagnostics Limited

(Formerly known as Utkal Soap Products Ltd.)

**Regd. Office:** Flat No. 2, R D Shah Building, Shraddhanand Road, Opp. Railway Station, Ghatkopar (W),  
Mumbai 400 086. ☎ 022-7197 5756

**Corporate Office:** Plot No. 6, RPT House, Sector 24, Turbhe, Navi Mumbai 400 703. ☎ 022-6276 5700

✉ [support@aspiradiagnostics.com](mailto:support@aspiradiagnostics.com) 🌐 [www.aspiradiagnostics.com](http://www.aspiradiagnostics.com)

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