

SCANDENT IMAGING LIMITED

CIN:L93000MH1994PLC080842

Reg. Office: Plot No. A-357, Road No. 26, Wagle Industrial Estate, MIDC,
Thane (W) - 400604 Maharashtra.

Tel No.022 25833205 Email: csscandent@gmail.com, scandentimaging@gmail.com, www.scandent.

29th August, 2019

To
BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai- 400 001
Ref: BSE code: 516110

Respected Sir/Madam,

Sub.: Submission of Annual Report under Regulation 34 of the SEBI (LODR) Regulations, 2015:

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the 25th Annual Report of the Company.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For Scandent Imaging Limited


Anushree Tekriwal
Company Secretary & Compliance Officer
Encl.: a/a.



SCANDENT IMAGING LIMITED

25th ANNUAL REPORT 2018 - 2019

*"Our vision is to be the largest world class Cone beam CT
service provider in the Dental imaging space"*

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Managing Director's Message



Dear Shareholders,

My warm greetings to you!!

I look forward to this time of the year to eagerly share the company's annual performance. It is an occasion to share on the achievements and goals of your company along with the vision and course which has been set for its growth. Over the last two financial years, the Indian healthcare industry has undergone major transformations due to a slew of regulatory measures and requirements. Your company has leveraged these changes for its growth strategy and is now positioned to positively benefit and grow our business in these thrilling times.

Your company has now set its foot firmly in the healthcare service delivery segment of hospital care and service management. The business is operated in the brand name "Family Care" and is aimed to provide absolute value for money services for patients with a world class service quality and best in class breed of committed doctors.

Your company now has an able leadership team to guide and deliver on this vision. With the right business experience, a unique business strategy and a collaborative business model in place, your company is set to achieve its goals in a meaningful yet advantageous manner. Your company over the next few years aims to be amongst the largest healthcare services provider in the Mumbai Metropolitan Region (MMR) and is working on a business plan execution and financing strategy to achieve on the same. The company is now on a path to have a bed capacity of 5000 beds through a combination of acquisition and/or management of existing set-ups and is trying to ensure that its average per bed costs are at amongst the lowest as per industry standards.

Your company seeks to build on the domain competency and knowledge of the healthcare business to generate a value added and sustainable business model for all its stakeholders. These are early days of experience for your company and we are in the process of building up the required management and business expertise to deliver sustainable growth in this segment.

Your company is on an investment mode. On the hospital business, it provides integrated range of services to almost tertiary level care and support for patients. Your company is working on a hub and spoke model to deliver on the intent to build a chain of hospitals across MMR.

Your company continues to be the unchallenged leader in the independent third party CBCT imaging centre networks across Western India and is creating social impact at scales which are large for this particular segment. The same is operated under the brand name of "Scandent".

Your company continued to be invested in the consolidating and growing healthcare services business. Your company during the fiscal has remained grounded to its core dental diagnostics sector with advancement into integrated hospital management services.

Review of FY 2018-19 Performance

Total revenue of your company rose by 180% in the current year from Rs 519.93 lakhs in FY2018 to Rs 1418.84 lakhs in FY19. This growth has been primarily driven by the income from the hospitals business. Your company now has a gross bed capacity of 150 across three hospitals, 9 independent CBCT Scan Centres, 1 partner CBCT Centre and 22 partner OPG Centres. Your company over the years is glad to share that it has served to more than 150,000 unique patrons and is set to expand this customer base with right service offerings.

EBIDTA for the current year fell from Rs 1.44 Crores in FY18 to Rs 0.99 Crores for FY19, due to the planned investment and expenses for the build-up of the hospital business. Your management expects these investments to help build a strong and robust foundation for the building of a stable and scalable hospital business. The operating margins were thus at 7% for FY19 versus 28% the previous fiscal. It is important to note that your company has been able to make an EBIDTA breakeven for the company at an enhanced revenue size and increased service offerings.

Consequent to the reduced EBDITA, your company reported a modest net profit of Rs 0.02 Crores for FY2019.

Cumulatively, your company has invested over Rs 20 Crores in Fixed Assets and business incubation expenses. These business expansions and expenses are being funded through internal accruals, trade balances and by borrowings from related group companies.

Business Outlook FY 2018-19

The healthcare industry in India has grown rapidly in recent years driven by higher investments by the private sector. With a plethora of opportunities available and liberalised FDI policies, global players, too, continue to show growing interest in investing

in Indian healthcare sector. To achieve the ambitious goal of universal health coverage, the Indian government has pledged to increase the public expenditure on healthcare from 1.1% to 2.5% GDP in the next four years and 5% in the following five years. The budgetary allocation for the health sector for FY 2019-20 fiscal stood at ₹61,398 crore, the highest in the last two financial years and a 16% increase over the previous year's allocation of ₹54,302.50 crore. Previously, under the New Health Policy 2017, the Government expressed its commitment to plug gaps in service for its 1.2 billion people through 'strategic purchasing' of care from private facilities and clinics. This is being undertaken to improve not only the access but also the affordability and quality of service.

Another important Government intervention towards reshaping healthcare services is the launch of Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PMJAY). The largest Government-funded healthcare programme in the world, PMJAY seeks to provide free and cashless insurance coverage of up to Rs 5 lakh per family per year to over 10 crore poor and vulnerable families for secondary and tertiary care hospitalisation at the empanelled public and private hospitals. With the Government changing its role from a provider to a payer, there lies considerable potential of higher demand for private healthcare services. The robust growth of the private healthcare insurance space in India has also increased the demand for quality healthcare services. The sector has been witnessing a strong growth of 20% per annum with considerable promise of further growth and penetration as disposable incomes increase and service expectations expand. This expansion of health insurance coverage in India augurs well for our healthcare industry.

Your company is choosing to selectively expand on its business backbone by using a combination of service delivery innovation, partnerships, standardizations and customized sales strategy. Our growth strategy is based on plans to invest and acquire non-profit or stressed assets and doctor/hospital practices and help them to restructure, turnaround and growth these centers.

Our interest in acquiring existing set-ups across a certain region, along with rebranding of the same under "Family Care" and consolidating their operations and increasing our business efficiencies could be our way ahead in this business. We intend to continue to deepen our learning in this business. We would be continuing our expansion of the OPG imaging networks this fiscal as well.

As we look ahead, we have excellent visibility on our growth and are excited about our future. Focused to be a quality and affordable service provider in the healthcare business, we would like to earn the trust and confidence of all our stakeholders and be a positive catalyst for the change India needs in terms of care and service.

I would like to take this opportunity to extend my deepest gratitude to each and every doctor, nurse and healthcare and medical professional, and all of our employees who have supported our most important priority – to provide highest quality patient care. The entire team is committed and passionate about what we are doing, and it is our passion that is at the heart of our perfection and performance. I'm proud of our accomplishments and assure you that we will continue working towards redefining healthcare services and building long-term value for our shareholders.

Thanking you.



Dr. Gautam Deshpande

Managing Director

DIN: 00975368

COMPANY INFORMATION**BOARD OF DIRECTORS**

| | | |
|---|---|------------------------------------|
| Dr. Gautam Mohan Deshpande | - | Managing Director |
| Dr. Sowmya Gautam Deshpande | - | Whole-Time Director |
| Dr. Burzin Khan (<i>upto 11th April, 2019</i>) | - | Non Executive Independent Director |
| Dr. Rajnish Kumar Pandey | - | Non Executive Independent Director |
| Dr. Pratibha Walinjkar | - | Non Executive Independent Director |
| Dr. Mohan Shankaranarayan Vaidyanathan (<i>From 29th May, 2019</i>) | - | Additional Director |

AUDIT COMMITTEE

| | | |
|--------------------------|---|----------|
| Dr. Rajnish Kumar Pandey | - | Chairman |
| Dr. Pratibha Walinjkar | - | Member |
| Dr. Gautam Deshpande | - | Member |

STAKEHOLDER RELATIONS COMMITTEE

| | | |
|--|---|----------|
| Dr. Rajnish Kumar Pandey | - | Chairman |
| Dr. Burzin Khan | - | Member |
| Dr. Mohan Shankaranarayan Vaidyanathan | - | Member |
| Dr. Pratibha Walinjkar | - | Member |

NOMINATION AND REMUNERATION COMMITTEE

| | | |
|--|---|----------|
| Dr. Pratibha Walinjkar | - | Chairman |
| Dr. Burzin Khan | - | Member |
| Dr. Rajnish Kumar Pandey | - | Member |
| Dr. Mohan Shankaranarayan Vaidyanathan | - | Member |

RISK MANAGEMENT COMMITTEE

| | | |
|----------------------------|---|----------|
| Dr. Gautam Mohan Deshpande | - | Chairman |
| Dr. Rajnish Kumar Pandey | - | Member |
| Dr. Pratibha Walinjkar | - | Member |

BANKERS

Indian Bank
Kotak Mahindra bank
Axis Bank
HDFC Bank Limited

STATUTORY AUDITORS

M/s. M.B. Agrawal & Co,
Chartered Accountants, Mumbai

INTERNAL AUDITORS

G.S. Toshniwal & Associates
Chartered Accountants, Mumbai

SECRETARIAL AUDITOR

M/s Ajay Kumar & Co.
Practising Company Secretary Mumbai

COMPANY SECRETARY

Ms. Anushree Tekriwal

CHIEF FINANCIAL OFFICER

Mr. Amit Tyagi

REGISTRAR AND SHARE TRANSFER AGENTS

Purva Sharegistry (India) Private Limited
Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha Marg, Opp. Kasturba Hospital Lane
Lower Parel (E), Mumbai 400 011

<http://www.purvashare.com/>

Tel: 91-22-2301 6761 / 8261 Fax: 91-22-2301 2517 Email: busicomp@gmail.com

REGISTERED OFFICE**SCANDENT IMAGING LIMITED**

CIN:L93000MH1994PLC080842
A-357,Road No.26,Wagle Industrial Estate, MIDC, Thane (west) Thane 400604
Web site: www.scandent.in; email id: cs@scandent.in Tel no.: 022-25833205

SHARES LISTED AT

BSE Limited

DEPOSITORIES

National Securities Depository Limited (Designated Depository)
Central Depository Services (India) Limited

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 25TH ANNUAL GENERAL MEETING OF THE MEMBERS OF SCANDENT IMAGING LIMITED CIN: L93000MH1994PLC080842 WILL BE HELD ON FRIDAY, 20TH SEPTEMBER, 2019 AT 12.00 NOON AT BRAHMAN SEVA SANGHA, 19, BRAHMAN SOCIETY, OPPOSITE, LATE DIVAKAR GANESH GANGAL RD, NAUPADA, THANE WEST - 400602 MAHARASHTRA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with Report of the Board of Directors and Auditors thereon for the financial year ended 31st March, 2019.
2. To appoint a Director in place of Dr. Gautam Deshpande (DIN 00975368), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:**3. Re-appointment of Dr. Rajnish Kumar Pandey (DIN: 01096119) as an Independent Director of the Company**

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 29th May, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Dr. Rajnish Kumar Pandey (DIN 01096119) whose current period of office is expiring on conclusion of Annual General Meeting to be held in 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. ensuing Annual General Meeting 2019 upto the Annual General Meeting of the Company to be held in the year 2024.”

“RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

4. Re-appointment of Dr. Sowmya Deshpande (DIN: 00705918) as the Whole-time Director of the Company

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

To re-appoint Dr. Sowmya Deshpande as a Whole-time Director and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Dr. Sowmya Deshpande (DIN: 00705918) as a Whole-time Director, designated as Executive Director of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from June 17th, 2020 till June 16th, 2025 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. Appointment of Dr. Mohan Shankaranarayan Vaidyanathan (DIN: 06640359) as a Director of the Company

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

“RESOLVED THAT Dr. Mohan Shankaranarayan Vaidyanathan (DIN: 06640359), who was appointed as an Additional Non Executive Non Independent Director with effect from May 29, 2019 in terms of Section 161 of the Companies Act, 2013 and Articles of Association and holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation as per recommendation of Nomination and Remuneration Committee.”

For and on behalf of the Board of Directors

Scandent Imaging Limited

Regd Off:

**A-357, Road No. 26,
Wagle Industrial Estate, MIDC,
Thane (West), Thane- 400604
CIN: L93000MH1994PLC080842
Email: cs@scandent.in
Website: www.scandent.in
Tele Ph:022-25833205**

**Gautam Deshpande
Managing Director
DIN: 00975368**

**Date: 13th August 2019
Place: Thane**

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate members intending to send their authorized representatives are requested to send to the Company a duly certified copy of the resolution passed by the Board of Directors authorizing their representatives to attend and vote at the AGM.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as a proxy for any other person or shareholder. A Proxy form for the Annual General Meeting is enclosed. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
5. **Pursuant to the provisions of section 91 of the Companies Act, 2013, the Register of Members and the Shares Transfer Books of the Company will be closed from 14th September, 2019 to 20th September, 2019 (both the days inclusive).**
6. The members are requested to:
Intimate to the Company’s Registrars and Share Transfer Agents, M/s. Purva Sharegistry India Private Ltd, Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai 400011 (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address, Bank account number / details etc. at an early date, quote ledger folio numbers /DP Identity and Client Identity Numbers in all their correspondences;
7. Pursuant to section 72 of the Companies Act, 2013, members holding Shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company’s share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
8. Bring the copy of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;

9. A route map providing directions to reach the venue of the 25th AGM is provided in the Notice.
10. To quote their full name as per Company's record, Folio No./DP Id and Client Id as the case may be in all correspondence;
11. To note that no gift or gift coupons will be distributed at the meeting.
12. Share transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Share Transfer Agents of the Company.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Registrar and Share Transfer Agent.
14. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading benefits is permitted only in dematerialized form, electronic transfer, prevention of forgery, etc.
15. Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, it has been mandated by SEBI that, request(s) for effecting transfer of securities, except in case of transmission or transposition of securities, shall not be processed from 1st April, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, shareholders are requested to take action to dematerialise the equity shares of the Company, promptly.
16. 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 (except Saturday and Sunday), between 11:00 am to 2:00 p.m. up to the date of the meeting.
17. There is no unclaimed or unpaid dividend lying with the Company, which requires an effect of transferring the same to the Investor and Education Protection Fund (IEPF) of the Central Government.
18. The Ministry of Corporate Affairs, Government of India has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies and has issued circulars allowing companies to send official documents to their shareholders electronically. Members are requested to get in touch with the Registrar and Share Transfer Agent for the said purpose and provide their e-mail id details, in order to collaborate with the Company in this noble initiative undertaken by the Ministry and supported by the Company.
19. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
20. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
21. Pursuant to the provisions of Section 72 of the Act, members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company are requested to submit details to the RTA of the Company in the prescribed Form SH -13. Members holding shares in demat form may contact their respective DP for recording of nomination.

The Company has designated an exclusive email ID called csscandent@gmail.com for redressal of shareholders' complaints/grievances. In case you have any complaints/grievances; please write to us at csscandent@gmail.com. Notice of the Meeting is also available on website of the company i.e. www.scandent.in

Members may also note that the Notice of the 25th AGM and Annual Report 2019 will be available on the Company's website www.scandent.in. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication or have any other queries may write to us at csscandent@gmail.com.

22. The shares of the Company are listed at the BSE LIMITED, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
23. The relative explanatory statement pursuant to section 102 of the companies act 2013 setting out material facts concerning the business under item No. 3, 4 and 5 of the notice is annexed hereto. The relevant details as required under Regulation 36 (3) of SEBI (Listing and disclosure Requirement) Regulation 2015 (SEBI Listing Regulation ,of the person seeking appointment-reappointment as Director under item No 2, 3,4, and 5 of the notice are also annexed as **Annexure: A**
24. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The

Members, whose names appear in the Register of Members / list of Beneficial Owners as on 13th September 2019 i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence on Tuesday, 17th September 2019, (09.00 A.M. IST) and ends on Thursday, 19th September, 2019 (05.00 P.M.IST). (In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

Procedure for Remote E-VOTING:

- I. The Company has entered in to arrangement with Karvy Fintech Private Limited for facilitating remote e-voting for AGM. The instruction for remote e-voting are as under:
- II. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Fintech Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

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

Launch internet browser by typing the URL: <https://evoting.karvy.com>

Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

After entering these details appropriately, click on "LOGIN".

You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

You need to login again with the new credentials.

On successful login, the system will prompt you to select the " E-VOTING EVENT" i.e., "SCANDENT IMAGING LIMITED"

On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

You may then cast your vote by selecting an appropriate option and click on "Submit".

A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email siroyam@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format " Corporate Name EVENT NO."

- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
- i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
 - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
- I. Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.
- II. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

OTHER INSTRUCTIONS

- 1) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. S.V. Raju, Deputy General Manager, Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1569 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- 2) 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).
- 3) The remote e-voting period commences on 17th September, 2019 (09.00 A.M. IST) and ends on 19th September, 2019 (05.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th September, 2019, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- 4) The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 13th September, 2019
- 5) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 13th September, 2019, he/she may obtain the User ID and Password in the manner as mentioned below :
 - a) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 Example for NSDL:
 MYEPWD <SPACE> IN12345612345678
 Example for CDSL:
 MYEPWD <SPACE> 1402345612345678
 Example for Physical:
 MYEPWD <SPACE> XXXX1234567890
 - b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c) Member may call Karvy's toll free number 1800-3454-001.
 Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

General Instructions:

- 1) The e-voting period commences on 17th September, 2019 (09.00 A.M. IST) and ends on 19th September, 2019 (05.00 P.M. IST). During this period, the shareholders of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date of 13th September, 2019, may cast their votes electronically. The e-voting module shall be disabled by KARVY for voting thereafter. Once the vote on a Resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- 2) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13th September, 2019,.
- 3) The Board of Directors of the Company has appointed Mr. Mukesh Siroya Proprietor M. Siroya & Co. Practicing Company Secretary, to act as Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- 4) 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 Forty Eight Hours 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.

The results shall be declared after the Annual General Meeting of the Company to the Stock Exchange. The results declared along with the Scrutinizer's Report shall be placed on the Company's website: www.scandent.in and on the website of KARVY: www.karvy.com

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

Item No 3.

Dr. Rajnish Kumar Pandey (DIN: 01096119), was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. He hold office as Independent Director of the Company up to the conclusion / date of the ensuing Annual General Meeting of the Company ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Dr. Rajnish Kumar Pandey as Independent Director for a second term of 5 (five) consecutive years w.e.f. ensuing Annual General Meeting 2019 upto the Annual General Meeting of the Company to be held in the year 2024, on the Board of the Company.

The Board, based on the performance evaluation of Independent Director and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Dr. Rajnish Kumar Pandey would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Dr. Rajnish Kumar Pandey as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Dr. Rajnish Kumar Pandey is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. Rajnish Kumar Pandey for the office of Independent Director of the Company.

The Company has also received declaration from Dr. Rajnish Kumar Pandey that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Dr. Rajnish Kumar Pandey fulfil the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Dr. Rajnish Kumar Pandey is independent of the management.

Details of Dr. Rajnish Kumar Pandey whose re-appointment as Independent Director is proposed at Item Nos. 3, is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Dr. Rajnish Kumar Pandey setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Dr. Rajnish Kumar Pandey is interested in the resolutions set out at Item No. 3 of the Notice with regard to his re-appointment.

The relatives of Dr. Rajnish Kumar Pandey may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations. The Board commends the Special Resolutions set out at Item No. 3 of the Notice for approval by the members.

Item No 4.

The Board of Directors of the Company ("the Board") at its meeting held on August 13, 2019 has, subject to approval of members, reappointed Dr. Sowmya Deshpande (DIN: **00705918**) as a Whole-time Director, designated as Executive Director, for a further period of 5 (five) years from the expiry of his present term, that is, with effect from June 17th, 2020 till June 16th, 2025, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NRC Committee') of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of Dr Sowmya Deshpande as a Whole-time Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Act.

The Board of Directors recommends the above resolution for approval of the Shareholders as an Ordinary Resolution.

Dr. Gautam Mohan Deshpande Managing Director and his wife Dr. Sowmya Gautam Deshpande, Whole time Director are concerned or interested in the said resolution.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said Resolution.

Item No 5.

Dr. Mohan Shankaranarayan Vaidyanathan (DIN: 06640359) on the recommendation of the Nomination and Remuneration Committee was appointed as an additional Director with effect from 29th May, 2019 by the Board in accordance with the Article 73 of the Articles of Association and Section 161 of the Companies Act, 2013 ("The Act"). As per Section 161 of the Act, Dr. Mohan Shankaranarayan Vaidyanathan holds office upto the date of the ensuing Annual General Meeting on 20th September, 2019. The Company has received requisite notice in writing under Section 160 of the Act along with a deposit of Rs. 100000 from a member proposing the candidature of Dr. Mohan Shankaranarayan Vaidyanathan to be appointed as a Non- Executive Director at the ensuing AGM liable to retire by rotation. Dr. Mohan Shankaranarayan Vaidyanathan has consented to the proposed appointment and declared qualified. Dr. Mohan Shankaranarayan Vaidyanathan possesses requisite knowledge, experience and skill for the position of Director. The Board on receipt of the said receipt from a member and on the recommendation of the NRC Committee and subject to approval of the members in the ensuing AGM, has accorded its consent, to appoint Dr. Mohan Shankaranarayan Vaidyanathan as a Non- Executive Non Independent Director liable to retire by rotation. Dr. Mohan Shankaranarayan Vaidyanathan will not be entitled for any remuneration as per the policy for Non-Executive Directors except sitting fees for attending Board and Committee Meetings.

Except Mrs. Pratibha Walinjar, Independent Director, no other Director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution. The Board of Directors recommend passing of the Resolution set out in Item No 5 of this Notice.

For and on behalf of the Board of Directors

Scandent Imaging Limited

Regd Off:

**A-357, Road No. 26 ,
Wagle Industrial Estate, MIDC,
Thane (West), Thane- 400604
CIN: L93000MH1994PLC080842
Email: cs@scandent.in
Website: www.scandent.in
Tele Ph:022-25833205**

**Gautam Deshpande
Managing Director
DIN: 00975368**

Date:13/08/2019

Place: Thane

Annexure: A

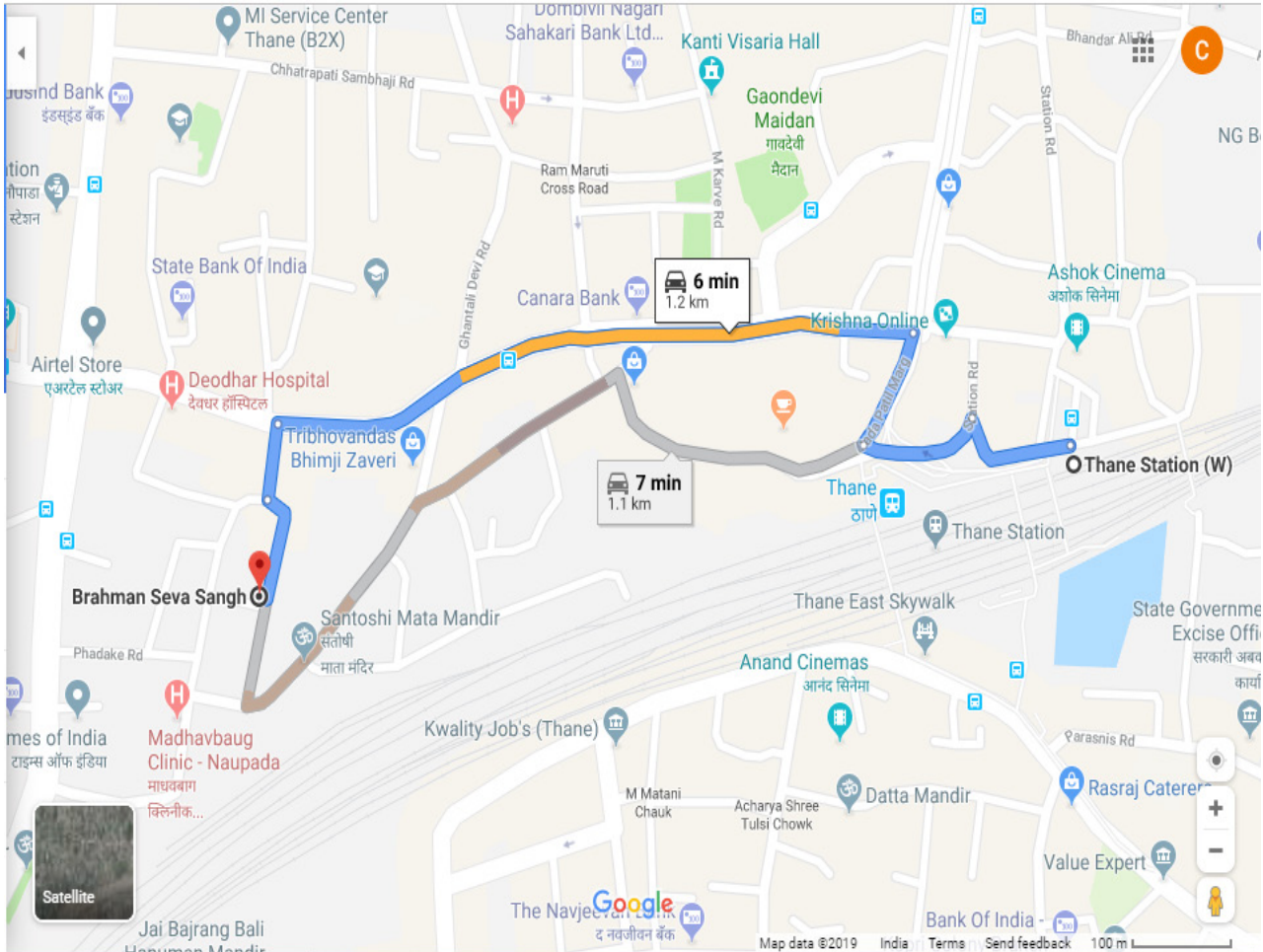
Details of the Directors seeking Appointment/Re-appointment at the Annual General Meeting Scheduled to be held on 20th September, 2019 (Pursuant to Regulation 36(3) of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015:

| Name of the Directors | Dr. Gautam Deshpande | Dr. Sowmya Gautam Deshpande | Dr. Rajnish Pandey | Dr. Mohan Shankaranarayan Vaidyanathan |
|--|---|--|---|---|
| Date of Birth Age | 04/12/1974 44 years | 04/04/1977 42 Years | 10/07/1961 58 years | 14/01/1957 62 years |
| Date of Appointment | 1 st February 2013 | 17 th June 2015 | 19 th March, 2013 | 13th August, 2013 |
| Relationship with the Directors and Key Managerial Personnel | Relative (Husband of Dr. Sowmya Deshpande) | Relative (wife of Dr. Gautam Deshpande) | Not related | Relative (husband of Dr. Pratibha Walijkar) |
| Expertise in specific Functional Area | Advance Endodontic, Cosmetic Dentistry, Crown & Bridge ,Oral and Maxillofacial Surgery ,cone Beam CT. | Advance Endodontic, Cosmetic Dentistry, Crown & Bridge ,Oral and Maxillofacial Surgery | Finance, Commercial Laws, Audit, Taxation and Project Management and Control. | Endodontist, 39 years of experience in dental practice. |
| Qualification | BDS | BDS | M.Com, MA (Econ), LLB, FCS, FCA, PhD | Master in Dental Surgery (MDS) |
| Board Membership of other Listed Companies as on 31 st March, 2019 | Nil | Nil | Nil | Nil |
| Chairman /Member of the Committee of the Board of Directors as on 31st March, 2019 | | | | |
| a) Audit Committee | 1 | Nil | 1 | Nil |
| b) Nomination And Remuneration Committee | Nil | Nil | 1 | 1 |
| c) Stakeholder's Relationship Committee | Nil | Nil | 1 | 1 |
| d) Risk Management Committee | 1 | Nil | 1 | Nil |
| Number of shares held in Company as on 31 st March, 2019 | 16447400 | Nil | Nil | 1500 |

Note:

- Detailed profile of the above Directors is given as part of the Annual Report. The Directorship, Committee membership and Chairmanship do not include positions in Foreign Companies, Unlisted Companies and Private Companies, and position in Companies under Section 8 of the Companies Act, 2013. The information pertaining to remuneration paid to the Directors who are being appointed /re-appointed and number of Board Meeting attended during the year 2018-19 are provided in the Corporate Governance Report.**
- In term of the Provision of Section 152(6) of the Act, Dr. Gautam Deshpande, retire by rotation at the meeting. The Board of Directors recommends his reappointment .**

**ROUTE MAP FOR VENUE OF ANNUAL GENERAL MEETING OF
SCANDENT IMAGING LIMITED
BRAHMAN SEVA SANGH, 19, BRAHMAN SOCIETY, LATE DIVAKAR GANESH GANGAL ROAD,
NAUPADA, THANE (WEST) – 400602**



BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the 25th Annual Report of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2019.

1. FINANCIAL RESULTS AND HIGHLIGHTS:

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

(₹. in Lakhs)

| Particulars | 31 st March, 2019 | 31 st March, 2018 |
|---|------------------------------|------------------------------|
| Revenue from Operations | 1418.93 | 518.84 |
| Other Income | 4.31 | 24.31 |
| Total | 1423.24 | 543.15 |
| Expenditure | | |
| Purchase of stock in trade | 77.66 | 18.04 |
| Change in inventory | (11.86) | (6.80) |
| Employee Benefit Expenses | 345.05 | 117.95 |
| Depreciation | 93.86 | 39.22 |
| Other Expenses | 862.86 | 255.33 |
| Finance Costs | 50.32 | 11.34 |
| Total | 1417.89 | 435.08 |
| Profit / (Loss) before exceptional and extraordinary items and tax | 5.34 | 108.07 |
| Exceptional items - Discount on Issue of Equity Shares | ----- | ----- |
| extraordinary items | ----- | ----- |
| Profit / (Loss) from ordinary activities before tax | 5.34 | 108.07 |
| Tax Expense | | |
| 1. Current Year Tax | 1.03 | 22.64 |
| 2. Short provisions for tax of earlier years | 2.40 | (0.31) |
| 3. Deferred tax | | |
| Profit/ (Loss) after Tax | 1.91 | 85.74 |
| Total Other Comprehensive income for the year | 0.45 | - |
| Total Comprehensive income / (loss) for the year | 2.36 | 85.74 |
| Basic and Diluted EPS | 0.01 | 0.27 |

2. Indian Accounting Standard:

The Financial Statements for the financial year ended March 31, 2019, forming part of this Annual Report, have been prepared in accordance with Ind AS.

The reconciliations and descriptions of the effect of the transition from Previous GAAP to Ind AS have been provided in the Notes to Accounts to the Financial Statements.

3. COMPANY'S PERFORMANCE

The total revenue of the Company for the financial year ended 31st March, 2019 stood at was ₹. 1423.23 Lakhs, and expenses were ₹. 1324.03 Lakhs excluding depreciation and exceptional items as compared to revenue of ₹. 543.15 and expenses were ₹. 395.86 Lakh excluding the depreciation and exceptional items during the previous year.

Your company performed well and delivered another year of consistent and responsible growth. Your Company is in the process to expand its business.

Performance of the Company has also been discussed in detail in the 'Management Discussion and Analysis Report' forming part of this Annual Report

4. DIVIDEND:

To strengthen the long term prospectus and sustainable growth in assets and revenue, it is important for the company to evaluate various opportunities in the different business vertical in which Company operates. The Board of Directors considers this to be in the strategic interest of the Company and believe that this will greatly enhance the long term shareholder value. The Company expects better results for the coming year. In order to fund this development and implementation projects, conservation of fund is of vital importance. Therefore, your Directors have not recommended any dividend for the financial year 2018-2019.

5. TRANSFER TO RESERVES:

No amount is proposed to be transferred to the General Reserves of the Company out of the profits for the year.

6. SUBSIDIARY:

During the year under review the Company does not have any Subsidiary Company.

7. CHANGES IN SHARE CAPITAL, IF ANY

During the year, under Review, there is no change in the Share Capital of the Company.

a. BUY BACK OF SECURITIES

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

b. SWEAT EQUITY

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

c. BONUS SHARES

No Bonus Shares were issued during the Period under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

e. PREFERENTIAL ISSUE

During the Period under review, the Company has not made any preferential issue

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, all the Independent Directors have furnished Declaration of Independence stating that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

In terms of the provision of:

- Section 161 and other applicable provisions of the Act, Dr. Mohan Shankaranarayan Vaidyanathan (DIN: 06640359), Non Executive Non Independent Director has been appointed as an Additional Director on the Board of the Company effective 29th May, 2019.
- Section 149 and other applicable provisions of the Act and SEBI Listing Regulations, Dr. Burzin Phiroze Khan resigned as an independent Director from the Board of the Company with effect from 11th April, 2019. Mr Khan had vide his letter dated 11th April 2019 informed the Company of his inability to render his services as Independent Director of the Company due to non availability of time. He further confirmed that there is no material reason other than the above mentioned reason for his resignation.
- Mrs. Dipti Modi resigned with effect from 27th September, 2018 from the post of Company Secretary & Compliance Officer and Ms. Anushree Tekriwal was appointed as Company Secretary & Compliance Officer with effect from 13th February, 2019.

In accordance with the provision of Section 178 and other applicable provisions of the Act and SEBI Listing Regulations, if any, the Nomination and Remuneration Committee has considered and recommended the above appointments/re-appointments to the Board of Directors and Key Managerial Personnel of the Company. A brief resume and other details of all the Directors seeking appointment/ re-appointment are provided in the Notice of AGM.

Pursuant to the provisions of Section 152 of the Act, Dr. Gautam Deshpande, Managing Director retires by rotation as Director at the ensuing AGM and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

In accordance with the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Dr. Gautam Deshpande, Managing Director, Dr. Sowmya Deshpande, Whole Time Director, Mr. Amit Tyagi, Chief Financial Officer and Ms. Anushree Tekriwal, Company Secretary & Compliance Officer are the Key Managerial Personnel ('KMP') of your Company.

9. COMMITTEES OF THE BOARD

The Company's Board has the following committees

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

4. Risk Management Committee

Details of terms of reference of the Committees, Committee membership and attendance at meetings of the Committees are provided in the Corporate Governance report.

10. PUBLIC DEPOSITS :

During the financial year 2018-19, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

11. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans given and investments made during the financial year under Section 186 of the Companies Act, 2013 are given at Notes forming part of the Financial Statements. During the financial year, the Company has neither provided any securities nor provided corporate guarantees for loans availed by the others.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts/Tribunal which would impact the going concern status of the Company and its operations in future.

13. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The said provisions are not applicable to the Company.

14. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return in Form MGT- 9 for the financial year ended March 31, 2019 made under the provisions of Section 92(3) of the Companies Act, 2013 is set out at 'Annexure [1]' forming a part of this Report.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All related party transactions that were entered into by the Company during the financial year were in ordinary course of business and at arm's length basis. Also, there were no related party transactions which could be considered material in accordance with the Policy of the Company on materiality of related party transactions.

All related party transactions are being reviewed and placed before the Audit Committee from time to time for their approval and also been taken on record by the Board.

Policy on dealing with related party transactions, is available on the Company's website at <http://scandent.in/related-party-policy.pdf>

16. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

A Report on Corporate Governance along with a Certificate from Practicing Company Secretary confirming the compliance of the conditions of Corporate Governance and Management Discussion and Analysis Report forms part of this Annual Report.

17. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes and commitments between the end of the financial year of the Company and as on the date of this report which can affect the financial position of the Company.

18. NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES:

During the year, Company held 4 (Four) Board Meetings and 4 (Four) Audit Committee Meetings. The full details of the number of Board and all Committees Meetings of your Company are set out in the Corporate Governance Report which forms part of this Report.

19. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:

Your Company has been following well laid down policy on appointment and remuneration of Directors, KMP and Senior Management Personnel.

The appointment of Directors is made pursuant to the recommendation of Nomination and Remuneration Committee ('NRC'). Approval of shareholders for payment of remuneration to Wholtime Directors is sought, from time to time.

The remuneration of Non-Executive Directors comprises of sitting fees in accordance with the provisions of Companies Act, 2013 incurred in connection with attending the Board meetings, Committee meetings, General meetings and in relation to the business of the Company. During the year under review, the Company has not paid any commission to the Non-Executive Directors.

A brief of the Remuneration Policy on appointment and remuneration of Directors, KMP and Senior Management is provided in the Report on Corporate Governance forming part of this Annual Report. Further, the Policy is available on the website of the Company and the weblink thereto is <http://scandent.in/nominationpolicy.pdf>

NRC have also formulated criteria for determining qualifications, positive attributes and independence of a director and the same have been provided in the Report on Corporate Governance forming part of this Annual Report.

The information required under Section 197 of the Companies Act, 2013 read with Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in “Annexure 2” to this Report

20. DECLARATION OF INDEPENDENCE

The Company has received necessary declaration from each Independent Director under section 149 (7) of the Act that he / she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16 of SEBI Listing Regulations.

21. BOARD EVALUATION:

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board of Directors has carried out an annual evaluation of its own performance, Committees and Individual Directors pursuant to provision of the Act and the Corporate Governance requirement as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation, 2015”).

The performance of the Board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the Board composition, structure of the board process, information and functioning, etc.

The Board also carried annual performance evaluation of the working of its Audit, Nomination and Remuneration Committee, Risk Management Committee as well as Stakeholder Relationship Committee.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors.

In a separate meeting of the Independent Director, performance of non –independent Director, performance of Board and performance of the chairman was evaluated, taking in to account the view of Executive Director and Non Executive Director. Performance evaluation of Independent Director was done by the entire Board, excluding the Independent Director being evaluated.

Separate Meeting of the Independent Directors

The Independent Directors held a Meeting on 29th March 2019, without the attendance of Non-Independent Directors and Members of Management. All the Independent Directors were present at such meeting and at the Meeting they have:

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Assessed the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Present Independent Directors holds a unanimous opinion that the Non-Independent Directors bring to the Board constructive knowledge in their respective field. All the Directors effectively participate and interact in the Meeting. The information flow between the Company's Management and the Board is satisfactory.

Training of Independent Directors

The company shall provide regular training to independent directors to update them with the regulatory changes and their roles and responsibility in view thereof.

22 (a) STATUTORY AUDITORS AND AUDITOR REPORT

M/s. M.B. Agrawal & Co., Chartered Accountants (Firm Registration No. 100137W) was appointed as Statutory Auditors of your Company at the 23rd Annual General Meeting (“AGM”) held on 27th September, 2017 for a term of four consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors was required to be ratified by Members at every Annual General Meeting. Pursuant to the amendment in Section 139 of the Act vide Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement relating to ratification of appointment of Statutory Auditors by the Members of the Company at every AGM has been dispensed with. Hence, the appointment of Auditors is not required to be ratified each year at the Annual General Meeting of the Company and accordingly, M/s. M.B. Agrawal & Co., Chartered Accountants (Firm Registration No. 100137W) hold office for a consecutive period of four (4) years until the conclusion of the Annual General Meeting of the Company to be held for the financial year 2020-21 without following the requirement of ratification of their appointment every year.

There were no qualifications, reservations, adverse remarks or disclaimers in the report of statutory auditors of the Company.

No frauds were reported by the auditors under Section 143 (12) of the Act.

(b) COST AUDIT

Cost audit is not applicable to the Company.

23. SECRETARIAL AUDITOR:

Mr. Ajay Kumar of Ajay Kumar & Co., Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the fiscal year 2018-19, as required under section 204 of the Companies Act, 2013 and Rule made thereunder. The detailed report on the Secretarial Audit is appended as an “**Annexure 3**” to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

24. INTERNAL CONTROL:

The Board ensures the effectiveness of the Company’s system of internal controls including financial, operational and compliance control and risk management controls and same is subject to review periodically by the Board of Directors and M/s. G.S. Toshniwal & Associates, Chartered accountants, Internal Auditors of the Company for its effectiveness. The control measures adopted by the company have been found to be effective and adequate to the Company’s requirement.

25. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Pursuant to the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 (“Act”), the Company has constituted Internal Committees (IC) for redressal of complaints related to sexual harassment. During the year 2018-19, the company has not received any Complaints in the matter.

26. LISTING OF EQUITY SHARES:

Pursuant to the provisions of Listing Agreement with the Stock Exchanges, the Company declares that the Equity Shares of the Company are listed at the BSE Limited.

The Company confirms that it has paid Annual Listing Fees due to BSE Limited up to the Financial Year – 2019-20

27. DIRECTORS’ RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013, the board of Director, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for year under review;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls, which are adequate and are operating efficiently.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

28. SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards

29. RISK MANAGEMENT:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

In Line with the regulatory requirement, the Company has constituted a Risk Management Committee to oversee the risk management. The details of the Committee along with its charter are set out in the Corporate Governance Report forming part of this Report. The Risk Management Policy is also posted on the website of the Company.

30. VIGIL MECHANISM/WHISTLE BLOWER

Your Company is committed to highest standards of ethical, moral and legal business conduct. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and under Regulation 22 of SEBI Listing Regulations 2015, for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link.

<http://www.scandent.in/whistle-blower-policy.pdf>

The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTGOINGS

The particulars as prescribed under sub-section (3) (m) of Section 134 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 are hereunder:

a) Conservation of energy

| | | |
|-------|--|-----|
| (i) | the steps taken or impact on conservation of energy | NIL |
| (ii) | the steps taken by the company for utilizing alternate sources of energy | NIL |
| (iii) | the capital investment on energy conservation equipment's | NIL |

(b) Technology absorption

| | | |
|-------|--|-----|
| (i) | the efforts made towards technology absorption | NIL |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution | NIL |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- | |
| | (a) the details of technology imported | NIL |
| | (b) the year of import; | NIL |
| | (c) whether the technology been fully absorbed | NIL |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | NIL |
| (iv) | the expenditure incurred on Research and Development | NIL |

c) Foreign Exchange earning & outgoings

| | For Year Ended 31 st March 2019 (Rupees) | For Year Ended 31 st March 2018 (Rupees) |
|-----------------------------|--|--|
| Expenditure- | | |
| Foreign Travel | NIL | NIL |
| Freight Forwarding Expenses | NIL | NIL |
| Income- | | |
| Commission and other income | NIL | NIL |

32. CAUTIONARY STATEMENT

Certain statements in the Directors' Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic.

33. ACKNOWLEDGEMENTS:

The Board expresses its gratitude and appreciates the assistance and co-operation received from the Banks, Government Authorities, Customers, Shareholders and other Stakeholders during the year under review.

**For and on behalf of the Board of Directors
Scandent Imaging Limited**

Reg off:

Plot No. A357, Road No. 26,
Wagle Industrial Estate, MIDC
Thane (West), Thane- 400604
CIN: L93000MH1994PLC080842
Email:cs@scandent.in
Website: www.scandent.in
Tele Ph: 022-25833205
Date: 29/05/2019
Place: Thane

Gautam Deshpande
Managing Director
DIN: 00975368

Sowmya Deshpande
Whole-time Director
DIN: 00705918

Annexure to the Board's Report

Annexure -1

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 Companies(Management and Administration)Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|---|---|
| CIN | L93000MH1994PLC080842 |
| Registration Date | 05/09/1994 |
| Name of the Company | Scandent Imaging Limited |
| Category/Sub-Category of the Company | Public Company /Limited by Shares |
| Address of the Registered office and contact details | Plot No. A 357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West) - 400604, Maharashtra Tel no.: 022-25833205 Fax: 022- 41842228 |
| Whether listed company Yes/No | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | Purva Sharegistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East) Mumbai 400011 http://www.purvashare.com/ Tel : 91-22-2301 6761 / 8261 Fax : 91-22-2301 2517 Email : busicomp@gmail.com |

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 | Healthcare Services | 86202 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | %of shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|-----------------|--------------------|
| | NIL | NIL | NIL | NIL | NIL |

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

Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year. 01.04.2018 | | | | No. of Shares held at the end of the year 31.03.2019 | | | | % Change during the year |
|--------------------------|---|----------|-----------------|-------------------|--|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter | | | | | | | | | |
| 1) Indian | | | | | | | | | |
| a) Individual/ HUF | 16447400 | 0 | 16447400 | 51.24 | 16447400 | 0 | 16447400 | 51.24 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total(A)(1):- | 16447400 | 0 | 16447400 | 51.24 | 16447400 | 0 | 16447400 | 51.24 | 0 |

| Category of Shareholders | No. of Shares held at the beginning of the year. 01.04.2018 | | | | No. of Shares held at the end of the year 31.03.2019 | | | | % Change during the year |
|---|---|----------------|-----------------|-------------------|--|----------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| 2) Foreign | | | | | | | | | |
| a) NRIs-Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other-Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total(A)(2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 16447400 | 0 | 16447400 | 51.24 | 16447400 | 0 | 16447400 | 51.24 | 0 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 2400 | 2400 | 0.01 | 0 | 2400 | 2400 | 0.01 | 0 |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.14 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *State Financial Corporation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Private Sector Banks | 0 | 46500 | 46500 | 0.14 | 0 | 46500 | 46500 | 0.14 | 0 |
| Sub-total(B)(1) | 0 | 48900 | 48900 | 0.15 | 0 | 48900 | 48900 | 0.15 | 0 |
| 2. Non Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| (i) Indian | 967046 | 123000 | 1090046 | 3.40 | 1000676 | 123000 | 1123676 | 3.50 | 0.10 |
| (ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 278998 | 679900 | 956898 | 2.98 | 289429 | 670300 | 959729 | 2.99 | 0.01 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 12927890 | 264200 | 13192090 | 41.10 | 12965775 | 264000 | 13229775 | 41.21 | 1.12 |
| c) Others(Specify) | | | | | | | | | |
| NRI | 2000 | 41900 | 43900 | 0.14 | 4500 | 38600 | 43100 | 0.13 | 0.00 |
| Hindu Undivided family | 103284 | 0 | 103284 | 0.32 | 105844 | 0 | 105844 | 0.33 | 0.01 |
| Clearing Member | 211082 | 0 | 211082 | 0.66 | 131000 | 0 | 131000 | 0.41 | -0.25 |
| LLP | 6400 | 0 | 6400 | 0.02 | 10576 | 0 | 10576 | 0.03 | 0.01 |
| Sub-total(B)(2) | 14494700 | 1109000 | 15603700 | 48.61 | 14507800 | 1095900 | 15603700 | 48.61 | 0.00 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 14494700 | 1157900 | 15652600 | 48.76 | 14507800 | 1144800 | 15652600 | 48.76 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 30942100 | 1157900 | 32100000 | 100 | 30955200 | 1144800 | 32100000 | 100 | 0 |

- Shareholding of Promoters**

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding 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 | |
| | Gautam Mohan Deshpande | 16447400 | 51.24 | 0 | 16447400 | 51.24 | 0 | 0 |
| | Total | 16447400 | 51.24 | 0 | 16447400 | 51.24 | 0 | 0 |

- Change in Promoters' Shareholding (please specify, if there is no change)**

| Sr. no | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Gautam Mohan Deshpande | | | | |
| | At the beginning of the year | 16447400 | 51.24 | 0 | 0.00 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | ----- | ----- | ----- | ----- |
| | At the End of the year, i.e. 31.03.2019 | 0 | 0.00 | 16447400 | 51.24 |

Note: There was no change in the total shareholding of Promoters during the year 01/04/2018 to 31/03/2019.

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

| Sr. no | Name | Shareholding at the beginning of the year (As on 01-04-2018) | | Date of change | Increase / Decrease in shareholding | Reason | Cumulative shareholding during the year (01-04-2018 to 31-03-2019) | |
|--------|---|--|----------------------------------|----------------|-------------------------------------|--------|--|----------------------------------|
| | | No. Of shares | % of total shares of the Company | | | | No. Of shares | % of total shares of the Company |
| 1 | Shree Balaji Enterprises Through Partner Nanda Dinesh | 6864296 | 21.38 | - | - | - | - | - |
| | | | | - | - | - | - | - |
| | | | | 31-03-2019 | | | 6864296 | 21.38 |
| 2 | Sareen Enterprises through partner Tarapada B Panda | 3882700 | 12.1 | - | - | - | - | - |
| | | | | - | - | - | - | - |
| | | | | 31-03-2019 | | | 3882700 | 12.1 |

| Sr. no | Name | Shareholding at the beginning of the year (As on 01-04-2018) | | Date of change | Increase / Decrease in shareholding | Reason | Cumulative shareholding during the year (01-04-2018 to 31-03-2019) | |
|------------|---|--|----------------------------------|----------------|-------------------------------------|--------|--|----------------------------------|
| | | No. Of shares | % of total shares of the Company | | | | No. Of shares | % of total shares of the Company |
| 3 | Alacrity Securities Limited | 420292 | 1.31 | 13-04-2018 | 4127 | Buy | 424419 | 1.32 |
| | | | | 20-04-2018 | 620 | Buy | 425039 | 1.32 |
| | | | | 27-04-2018 | 1520 | Buy | 426559 | 1.33 |
| | | | | 04-05-2018 | 1451 | Buy | 428010 | 1.33 |
| | | | | 11-05-2018 | -6541 | Sell | 421469 | 1.31 |
| | | | | 18-05-2018 | 1350 | Buy | 422819 | 1.32 |
| | | | | 25-05-2018 | 5 | Buy | 422824 | 1.32 |
| | | | | 31-05-2018 | 9000 | Buy | 431824 | 1.35 |
| | | | | 08-06-2018 | 1395 | Buy | 433219 | 1.35 |
| | | | | 15-06-2018 | 17367 | Buy | 450586 | 1.40 |
| | | | | 30-06-2018 | -33741 | Sell | 416845 | 1.30 |
| | | | | 06-07-2018 | 7200 | Buy | 424045 | 1.32 |
| | | | | 13-07-2018 | 45954 | Buy | 469999 | 1.46 |
| | | | | 16-11-2018 | 25 | Buy | 470024 | 1.46 |
| | | | | 14-12-2018 | 25 | Buy | 470049 | 1.46 |
| | | | | 21-12-2018 | 10 | Buy | 470059 | 1.46 |
| | | | | 28-12-2018 | 15 | Buy | 470074 | 1.46 |
| 04-01-2019 | 10 | Buy | 470084 | 1.46 | | | | |
| 31-03-2019 | | | 470084 | 1.46 | | | | |
| 4 | Darshan Orna Limited | 181300 | 0.56 | - | - | - | - | - |
| | | | | - | - | - | - | - |
| | | | | 31-03-2019 | | | 181300 | 0.56 |
| 5 | Odyssey Corporation Limited | 152248 | 0.47 | - | - | - | - | - |
| | | | | - | - | - | - | - |
| | | | | 31-03-2019 | | | 152248 | 0.47 |
| 6 | Arham Share Consultants Private Limited | 103800 | 0.32 | 20-07-2018 | -103800 | Sell | 0 | 0 |
| | | | | 22-03-2019 | 103800 | Buy | 103800 | 0.32 |
| | | | | 30-03-2019 | -51800 | Sell | 52000 | 0.16 |
| | | | | 31-03-2019 | | | 52000 | 0.16 |
| 7 | Hiten Ramniklal Mehta | 101575 | 0.32 | 31-05-2018 | -100000 | Sell | 91575 | 0.29 |
| | | | | 15-06-2018 | -16575 | Sell | 75000 | 0.23 |
| | | | | 31-03-2019 | | | 75000 | 0.23 |
| 8 | Mahendra Bhai Ramnikal Shah | 100669 | 0.31 | 30-06-2018 | 5600 | Buy | 106269 | 0.33 |
| | | | | 31-03-2019 | | | 106269 | 0.33 |
| 9 | Rajinder Kabra | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | 100000 | 0.31 |
| 10 | Usha Devi Rander | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | 100000 | 0.31 |
| 11 | Ravi D. Patel | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | 100000 | 0.31 |
| 12 | Neeraj Kailashchand Chandak | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | 100000 | 0.31 |
| 13 | Ranjana Chandak | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | 100000 | 0.31 |
| 14 | Shivkumar Chandak | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | 100000 | 0.31 |

| Sr. no | Name | Shareholding at the beginning of the year (As on 01-04-2018) | | Date of change | Increase / Decrease in shareholding | Reason | Cumulative shareholding during the year (01-04-2018 to 31-03-2019) | |
|--------|--------------------------------------|--|----------------------------------|----------------|-------------------------------------|--------|--|----------------------------------|
| | | No. Of shares | % of total shares of the Company | | | | No. Of shares | % of total shares of the Company |
| 15 | Jayantilal D Patel | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 16 | Chaya Ravi Patel | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 17 | Devshibai Bhimji Patel | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 18 | Gaurishankar Shyamsunder lal Chandak | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 19 | Kailashchand Shyamsunder lal Chandak | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 20 | Harsh Chandak | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 21 | Siddharth Kabra | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 22 | Kalpana Jayantilal Patel | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 23 | Manish Kumar Rander | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |
| 24 | Navin Nishchal | 100000 | 0.31 | - | - | - | - | - |
| | | | | 31-03-2019 | | | | 100000 |

• **Shareholding of Directors and Key Managerial Personnel:**

| Sr. no | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | Gautam Deshpande | | | | |
| | At the beginning of the year i.e. 01.04.2018 | 16447400 | 51.24 | ----- | ----- |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | NO CHANGE | | | |
| | At the End of the year i.e. 31.03.2019 | | | 16447400 | 51.24 |

V **INDEBTEDNESS**

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

(in Rs.Lakhs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|------------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 28.02 | - | - | 28.02 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 28.02 | NIL | NIL | 28.02 |
| Change in Indebtedness during the financial year | | | | |
| - Addition | 7.82 | - | - | 7.82 |
| -(Reduction) | (3.66) | - | - | (3.66) |
| Net Change | (4.16) | NIL | NIL | (4.16) |

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|------------|-----------------------|
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 32.18 | - | - | 32.18 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 32.18 | NIL | NIL | 32.18 |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Dr. Gautam Mohan Deshpande (Managing Director) | Dr. Sowmya Deshpande (Whole-Time Director) |
|---------|---|---|--|
| | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Rs. 18,00,000 | Rs. 18,00,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | NIL | NIL |
| | Stock Option | NIL | NIL |
| | Sweat Equity | NIL | NIL |
| | Commission | NIL | NIL |
| | - as % of profit | NIL | NIL |
| | - others, specify... | | |
| | Others, please specify | | |
| | Professional Fees | NIL | 10,00,000 |
| | Total(A) | Rs. 18,00,000 | Rs. 28,00,000 |
| | Ceiling as per the Act | 10% of the net profit of the Company calculated as per Section 198 of the Companies, 2013 read with Schedule V of the Companies Act, 2013 (the "Act"). However, members in their general meeting approved the above remuneration in compliance with the Schedule V of the Act | |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of Independent Directors / Non-Executive Directors | | |
|----------|--|--|-------------------|-----------------------------|
| | | Dr. Rajnish Kumar Pandey | **Dr. Burzin Khan | **Dr. Pratibha Walinjkar |
| 1 | Independent Directors | | | |
| | Fee for attending Board, committee meetings | Rs. 60000 | Rs. 30000 | Rs. 60000 |
| | Commission | NIL | NIL | NIL |
| | Others, please specify | | | |
| | Total (1) | Rs. 60000 | Rs. 30000 | Rs. 60000 |
| 2 | Other Non-Executive Directors | | | |
| | · Fee for attending board committee meetings | NIL | NIL | NIL |
| | · Commission | | | |
| | · Others, please specify | | | |
| | Total(2) | NIL | NIL | NIL |
| | Total =(1+2) | Rs. 60000 | Rs. 30000 | Rs. 60000 |
| | Total Managerial Remuneration | Rs. 60000 | Rs. 30000 | Rs. 60000 |
| | Overall Ceiling as per the Act | Sitting fees payable to the Director for attending the meeting of the Board or committee shall not exceed one Lakhs rupees per meeting of the Board or committee | | |

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | Total |
|---------|---|--------------------------|--|------------|
| | | CFO | Company Secretary | |
| | Gross salary | Mr.Amit Tyagi | Mrs.Dipti Modi (upto 27 th September, 2018) | Rs. 946203 |
| | (a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961 | Rs. 540000 | Rs.270000 | - |
| | (b) Value of perquisites u/s 17(2)Income-tax Act,1961 | - | Ms. Anushree Tekriwal | - |
| | (c) Profits in lieu of salary under section 17(3)Income-tax Act,1961 | - | (from 13 th February, 2019) | - |
| | | | Rs. 136203 | |
| | Stock Option | - | - | - |
| | Sweat Equity | - | - | - |
| | Commission | - | - | - |
| | - as% of profit | | | |
| | -others, specify... | | | |
| | Others, please specify | - | - | - |
| | Total | Rs. 540000 | Rs. 406203 | Rs. 946203 |

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) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|-----------------------------------|
| A. Company | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. Directors | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. Other Officers In Default | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

For and on behalf of the Board of Directors
Scandent Imaging Limited

Reg off:

Plot No. A357, Road No. 26,
Wagle Industrial Estate, MIDC
Thane (West), Thane- 400604
CIN: L93000MH1994PLC080842
Email:cs@scandent.in
Website: www.scandent.in
Tele Ph: 022-25833205
Date: 29/05/2019
Place: Thane

Gautam Deshpande
Managing Director
DIN: 00975368

Sowmya Deshpande
Whole-time Director
DIN: 00705918

Annexure – 2

Information required under Section 197 of the Companies Act, 2013 read with 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, are given below:

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2018-2019, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2018-2019.

| Sr. No. | Name of Director/ KMP | Designation | Ratio of remuneration of each Director to median remuneration of Employees | Percentage increase in Remuneration |
|---------|----------------------------|---------------------|--|-------------------------------------|
| 1 | Dr. Gautam Mohan Deshpande | Managing Director | 5.71 | 50% |
| 2 | Dr. Sowmya Deshpande | Whole time Director | 8.88 | 133% |
| 3 | Mr. Amit Tyagi | CFO | Not Applicable | Nil |
| 4 | Mrs. Dipti Modi | Company Secretary | Not Applicable | Nil |

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2018-2019.
- Median remuneration of the Company for all its employees is Rs. 9,46,203 for the financial year 2018-2019.
- The Non-Executive Directors of the Company are entitled for sitting fee. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.
- The percentage increase in the median remuneration of Employees for the financial year was 05.13%.
- The Company has 130 permanent employees on the rolls of Company as on 31st March, 2019.
- Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 10%. The increase in the managerial remuneration was Nil. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies.
- The key parameters for any variable component of remuneration:** Not applicable.
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.
- Particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:** Nil

**For and on behalf of the Board of Directors
Scandent Imaging Limited**

Reg off:

Plot No. A357, Road No. 26,
Wagle Industrial Estate, MIDC
Thane (West), Thane- 400604
CIN: L93000MH1994PLC080842
Email: cs@scandent.in
Website: www.scandent.in
Tele Ph: 022-25833205
Date: 29/05/2019
Place: Thane

Gautam Deshpande
Managing Director
DIN: 00975368

Sowmya Deshpande
Whole-time Director
DIN: 00705918

Form No. MR- 3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST 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
Scandent Imaging Limited
A-357, Road No.26,
Wagle Industrial Estate,
MIDC,
Thane (West) 400604.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SCANDENT IMAGING 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 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 31st 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 the Company for the financial year ended on 31st 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 to the extent of their applicability to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable during the Audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Not applicable 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not applicable during the Audit period)and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;(Not applicable during the Audit period)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015

(vi) OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY

Following are the Specific Laws applicable to the Company:

1. INDUSTRY SPECIFIC REGULATIONS

- a) Indian Medical Council Act, 1956 ("IMC Act")
- b) Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 ("IMC Regulations")
- c) Drugs and Cosmetic Act, 1940

- d) Narcotic Drugs and Psychotropic Substances Act, 1985
- e) Pharmacy Act, 1948
- f) Clinical Establishments (Registration & Regulation) Act, 2010
- g) Atomic Energy Act, 1962
- h) Atomic Energy (Radiation Protection) Rules, 2004
- i) Safety Code for Medical Diagnostic X-Ray Equipment and Installation, 2001
- j) Radiation Surveillance Procedures for Medical Application of Radiation 1989
- k) Pre-Conception and Pre-Natal Diagnostic Techniques Act, 1994
- l) Medical Termination of Pregnancy Act, 1971
- m) Consumer Protection Act, 1986
- n) Food Safety and Standards Act, 2006

2. ENVIRONMENT REGULATIONS

- a) Environment (Protection) Act, 1986
- b) Water (Prevention and Control of Pollution) Act, 1974
- c) Water (Prevention and Control of Pollution) Cess Act, 1977
- d) Air (Prevention and Control of Pollution) Act, 1981
- e) Biomedical Waste Management Rules, 2016
- f) Hazardous and other Wastes (Management and Trans boundary Movement) Rules, 2016

(vii) OTHER LAWS APPLICABLE TO THE COMPANY

The adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environmental laws etc. to the extent of their applicability to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. During the year there was no change in the composition of the Board of Directors.
- ii) 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.
- iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

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:

- i. The Company has made revision in Remuneration of Dr. Sowmya Gautam Deshpande, Whole Time Director of the Company by passing special resolution in Annual General Meeting held on 29.08.2018.
- ii. The Company has made revision in Remuneration of Dr. Gautam Deshpande, Managing Director of the Company by passing special resolution in Annual General Meeting held on 29.08.2018.
- iii. Ms. Dipti Modi resigned as Company Secretary and Compliance officer of the company w.e.f. 27.09.2018
- iv. The Company has appointed Company Secretary Ms. Anushree Tekriwal w.e.f. 13.02.2019.
- v. The Company has altered Memorandum of Association by adding new object in the Main Object Clause by passing special resolution by Postal ballot on 17.10.2018.

Signature:

(Ajay Kumar)
Ajay Kumar & Co.
FCS No. 3399
C.P. No. 2944

Date: 29/05/2019

Place: Mumbai

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

**To,
The Members
Scandent Imaging Limited**

A-357, Road No.26,
Wagle Industrial Estate,
MIDC,
Thane (west) - 400604.

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

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

**Ajay Kumar
Ajay Kumar & Co.
FCS No. 3399
C.P. No. 2944**

**Date: 29/05/2019
Place: Mumbai**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BACKGROUND

The Company is engaged in the business of Medical, Dental & Clinical Services. The health care sector in India is rapidly emerging because of rise in the socio economic environment, awareness in the people, rise in income of the family and more so because the people are willing to invest in health care.

Healthcare is one of India's largest sectors- both in terms of revenue and employment.

The Indian healthcare sector is growing at a rapid pace due to its strengthened coverage, services and increased expenditure by public as well private players.

Healthcare comprises hospitals, pharmacies, diagnostics, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment.

It is projected to become a US\$ 280 billion industry by 2020 and US\$ 372 billion by 2022, with rising income levels, greater health awareness, increased precedence of lifestyle diseases and improved access to insurance being the key contributors to growth.

The healthcare industry in India emerged as the 4th largest employer.

The hospital industry, which roughly accounts for 80% of the healthcare market, is expected to grow by a CAGR of 16-17% to reach ₹ 8.6 trillion (US\$ 132.84 billion) by 2022

Indian healthcare delivery system is categorized into two major components-public and private. The Government, i.e. public healthcare system comprises of limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of Primary Healthcare Centres (PHCs) in rural areas.

The private sector provides majority of Secondary, Tertiary and Quaternary care institutions with a major concentration in metros, tier I and tier II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and Western countries.

The cost of surgery in India is about one-tenth of that in the US or Western Europe as per industry research and data.

INDIAN HEALTHCARE INDUSTRY – HIGHLIGHTS

A. Fourth Largest Employer:

- India is expected to rank amongst the top three healthcare markets in terms of incremental growth by 2020.
- In FY17, Indian healthcare sector stood as the fourth largest employer as the sector employed a total of 319,780 people. The sector is expected to generate 40 million jobs in India by 2020.
- In May 2017, the Asian Research and Training Institute for Skill Transfer (ARTIST) announced plans to create around one million skilled healthcare providers by 2022.
- 100,000 jobs are expected to be created from Ayushman Bharat, the National Health Protection Scheme.
 - The future healthcare will be a high-volume, low-margin venture, inching towards universal health care with an active role played by the government.
 - It will also be a highly regulated accountable system and people and organizations that do not adapt to this new philosophy may perish or their models unsustainable.
- Patients deserve a high-value, high-performing healthcare system. The key to transforming healthcare delivery is increased efficiency and quality.
 - For certain hospitals, consolidation may be necessary—not only to meet the current health needs of patients and communities—but also to provide a stable foundation upon which to build the healthcare system of the future.

B. Impressive Growth Prospects:

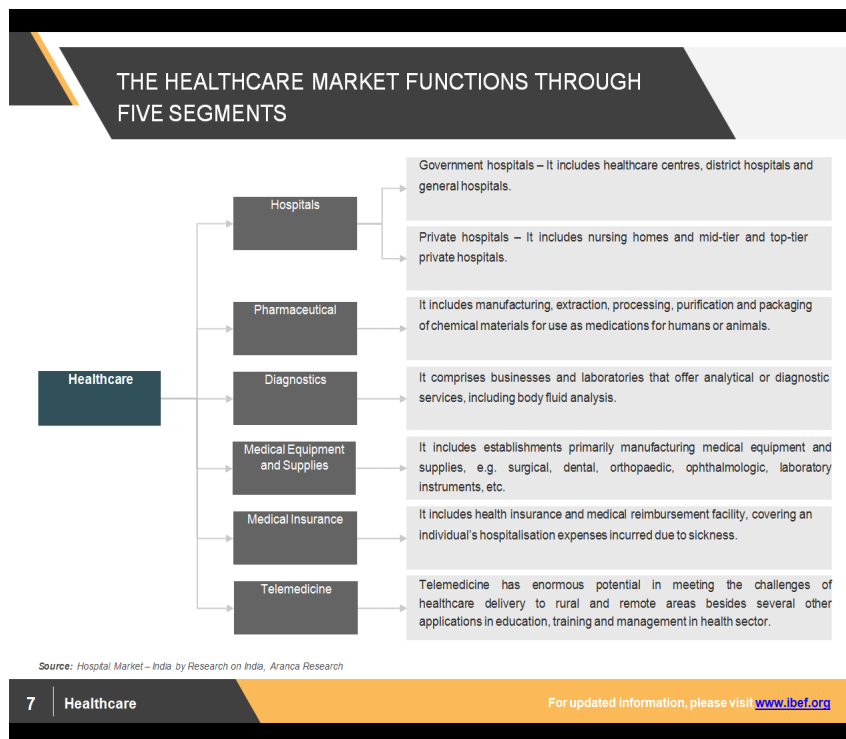
- Indian healthcare sector is expected to record a threefold rise, at a CAGR of 22 per cent during 2016-2022 to reach US\$ 372 billion in 2022 from US\$ 110 billion in 2016.
- India ranks 145th among 195 countries in terms of quality and accessibility of healthcare.
 - There is immense scope for enhancing healthcare services penetration in India, thus presenting ample opportunity for development of the healthcare industry.
- Conducive policies for encouraging FDI, tax benefits, favorable government policies coupled with promising growth prospects have helped the industry attract private equity, venture capitals and foreign players.

C. Strong Fundamentals and Cost Advantage:

- Rising income levels, ageing population, growing health awareness and changing attitude towards preventive healthcare is expected to boost healthcare services demand in future.
- The low cost of medical services has resulted in a rise in the country’s medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

D. Healthcare Segments:

The below chart provides the details of how the healthcare industry is segmented and serviced in India.



E. Market Size

- The healthcare market can increase three fold to INR 8.6 trillion (US\$ 133.44 billion) by 2022.
- India is experiencing 22-25 per cent growth in medical tourism and the industry is expected to double its size from present (April 2017) US\$ 3 billion to US\$ 6 billion by 2018.
- There is a significant scope for enhancing healthcare services considering that healthcare spending as a percentage of Gross Domestic Product (GDP) is rising.

F. Investment and Recent Trends

- The hospital and diagnostic centres attracted Foreign Direct Investment (FDI) worth US\$ 6 billion between April 2000 and December 2018, according to data released by the Department of Industrial Policy and Promotion (DIPP). Some of the recent investments in the Indian healthcare industry are as follows:
- Healthcare sector in India witnessed 23 deals worth US\$ 679 million in H12018.
- Fortis Healthcare has approved the demerger of its hospital business with Manipal Hospital Enterprises. TPG and Dr. Ranjan Pai could invest Rs. 3,900 crore (US\$ 602.41 million) in Manipal Hospital Enterprise.

*Source - www.ibef.org and others

HEALTHCARE SECTOR – INDIA- EMERGING TRENDS

- **Shift from communicable to lifestyle diseases** - With increasing urbanization and problems related to modern-day living in urban settings, currently, about 50 per cent of spending on in-patient beds is for lifestyle diseases; this has increased the demand for specialized care. In India, lifestyle diseases have replaced traditional health problems.

Most lifestyle diseases are caused by high cholesterol, high blood pressure, obesity, poor diet and alcohol.

- **Expansion into tier-II and tier-III cities** in India
- **Emergence of telemedicine** - Telemedicine is a fast-emerging sector in India; major hospitals (Apollo, AIIMS, Narayana Hrudayalaya) have adopted telemedicine services and entered into a number of PPPs.
Telemedicine market in India is expected to rise at a CAGR of 20 per cent during FY16-20, reaching to US\$ 32 million by 2020. Telemedicine can bridge the rural-urban divide in terms of medical facilities, extending low-cost consultation
- **Artificial Intelligence(AI)** - Rising adoption of AI-based applications has enabled people to talk directly to doctors, physician, and expertise for the best treatment.
- **Home healthcare** -Developments in information technology (IT) and integration with medical electronics, has made it possible to provide high quality medical care at home at affordable prices. It enables the customers to save up to 20-50 per cent of the cost. The home healthcare market is estimated to reach US\$ 4.46 billion by the end of 2018 and US\$ 6.21 billion by 2020.
- **Increasing penetration of health insurance** - In FY18, gross healthcare insurance stood at 25.2 per cent of overall gross direct premium income by non-life insurers segment.
Health insurance is gaining momentum in India. Gross direct premium income underwritten by health insurance grew 22.03 per cent y-o-y to Rs 400.48 billion (US\$ 5.73 billion) between April 2018-February 2019 (provisional).
- **Mobile-based health delivery and Home Care Opportunities**
- **Technological initiatives** - Digital Health Knowledge Resources, Electronic Medical Record, Mobile Healthcare, Electronic Health Record, Hospital Information System, PRACTO, Technology-enabled care, telemedicine and Hospital Management Information Systems are some of the technologies gaining wide acceptance in the sector. India's medical technology sector is forecasted to reach US\$ 9.60 billion by 2022.
- **Luxury offering** -A new trend is emerging as luxury offerings in healthcare sector. More than essential requirements, healthcare providers are making offerings of luxurious services. For example: pick and drop services for patient by private helicopters and luxurious arrangements for visitors to patient in hospital.

INDIAN HEALTHCARE SECTOR – A FURTHER PROGNOSIS

India's 1.32 billion people present an opportunity for growth

India's population base and increase in greying population is expected to drive the consumption of healthcare and diagnostic services in India.

Opportunity for Increased Usage of Laboratory Diagnostics as a tool in Clinical Practice

The usage of laboratory diagnostics in order to establish clinical diagnosis is lower in India than its counterparts. Currently, the per capita average clinical laboratory tests performed in India is less than 1 test, whereas key economies such as US and UK (have ranges of approximately 8 to 20 tests per capita). This figure is likely to increase as penetration of health insurance grows within the country combined with the awareness of preventive health among the general population and the importance of timely and correct diagnosis among the physician community.

Demand-Supply Gap of Hospital Beds

In terms of healthcare infrastructure, India is behind major economies. According to World Health Statistics, India has 9 beds per 10,000 people as compared to the global average of 29 beds per 10,000 people. This low penetration of healthcare infrastructure and increasing demand creates a huge demand supply gap potential for the diagnostic sector.

Promotion of Health Awareness by Private Healthcare Companies

Private healthcare companies, hospital groups, diagnostic chains and health insurance firms carry out various health awareness programs as part of their marketing activities. These activities have increased overall health awareness levels with people focusing more on their fitness, health and well-being.

Increasing Spend on the Preventive and Wellness Segment

With the growing awareness for preventive care and individual and corporate wellness, diagnosis and predictability of diseases at the early stages of occurrence is expected to be higher. Early diagnosis at point of care, monitoring of health and disease conditions with data enabled predictive capability for managing human health and risk is expected to collectively drive the diagnostic and healthcare sector as a whole.

HEALTHCARE- OPPORTUNITIES AND THREATS:**OPPORTUNITIES IN HEALTHCARE**

- **Healthcare Infrastructure:**
 - Over the years, India has made strategic interventions in National Health Mission and the national disease control program to ensure quality and affordable healthcare for all.
 - Additional three million beds needed for India to achieve the target of 3 beds per 1,000 people by 2025.
 - Additional 1.54 million doctors and 2.4 million nurses required to meet the growing demand for healthcare; 58,000 job opportunities are expected to be generated in the healthcare sector by the year 2025.
 - Over US\$ 200 billion is expected to be spent on medical infrastructure by 2024.
- **Medical Tourism**
 - The value of medical tourism is projected to reach US\$ 9 billion by 2020.
 - Cost of surgery in India is nearly one-tenth of the cost in developed countries.
 - There are 21 Joint Commission International (JCI) - accredited hospitals in India and growing.
- **Health Insurance**
 - As of 2017, less than 27 per cent of the Indian population is covered through health insurance.
 - Increasing healthcare cost and burden of new diseases along with low government funding is raising demand for health insurance coverage.
 - Many companies offer health insurance coverage to employees,
 - Driving market penetration of insurance players.
 - With increasing demand for affordable and quality healthcare, penetration of health insurance is poised to grow exponentially in the coming years.
- The medical devices market is expected to reach US\$ 11 billion by 2022, backed by rising geriatric population, growth in medical tourism and declining cost of medical services.
- **Attractive Industry Opportunity:**

We are Future ready company and in to demanding healthcare services sector. India's demand for healthcare services is expected to remain higher backed by various factors that have provided adequate opportunities to the industry.

CHALLENGES IN HEALTHCARE

- Lack of awareness for category differentiation, Although the senior living sector is a mix of real-estate, healthcare and hospitality and caters to the needs and requirements of aging population, there is a general lack of awareness amongst the Indian population, including the urban educated class, and many still perceive it either as a real-estate product or a healthcare product and start drawing comparisons from service providers of these two sectors, their services and price points.
- Lack of Government effective and consolidated policies and focus to improve / support the private sector participants in a coherent and objective manner.
- Unlike healthcare, insurance or the latest addition of real-estate, there is no law, policy, guidelines or regulations specific to the senior living sector in India.
- Attrition rate of employees is also very high in our industry especially for our company, as it is growth phase. The employees join, learn and leave for better placements. These are common problem in our industry but can severely affect our growth of business.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company presently operates in four segments in the healthcare services:

a. Oral and Maxillofacial Imaging:

Your company introduced India's **First 3D - Cone Beam Computed Tomography (CBCT)** Scan technology in Mumbai. Our Technology Sourcing Partner global OEM Care stream - Provides 3D- Cone Beam Computed Tomography (CBCT) and normal digital scan / imaging services Used in the diagnostics process for Dental and ENT treatments / surgeries. We operate 10 independent CBCT centres across Mumbai and serviced over 60,000+ unique customers include several leading industrialists and bollywood personalities. We are connected with 3000+ doctors in Mumbai Metropolitan region -

OPG imaging (2D) equipment at 30 plus dentist location. In current year, these is the second the most revenue generating segment of your company.

b. Multi-Specialty Hospitals under the brand name “Family Care Hospitals”:

This is major revenue generating division of your Company, which shares almost 65% of total current year revenue. Your Company manages and operates 3 Hospitals across Mumbai region aggregating 145 beds capacity (Presently licensed and using 80 beds) located at Saki Naka, Mahim and Mira Road. We have Multi-specialty hospitals, with secondary level care facilities at Mahim and Mira Road. Our agenda is to provide affordable and quality care to patients with 100+ doctors / consultants / specialists attached to the Hospitals. All hospitals provide 24X7X365 service, including Emergency Care, Surgeries, Intensive Care Units (ICUs) and Out Patient Consulting. We have In-house doctors with experience of 150 man years. We expect this division to grow exponentially in near future years as your company is looking to expand its operations through acquisitions of Stressed Hospitals on Long term lease contract basis in MMR.

c. Family Care Pharmacies:

Your Company presently has three pharmacies located at the existing hospitals of Family Care runs in the Brand Name of “Family Care Pharmacies”. All centres are positioned to operate on a 24 X 7 X 365 with all types of medicines available. They specialize and operate both as a bulk and retail outlets. Our strength of the pharmacies is the in-house availability of clients, plus local walk-in patients and Generates good margin with branding for the business includes additional service possibilities like home delivery and select range of FMCG product deliveries etc. We expect this division to grow faster as it is likely affected by the growth in Hospital Customers.

d. Family Care Diagnostics:

All hospitals of Family Care have this range of services include but are not limited to X- Rays, Sonographies, Blood Tests, etc. Our agenda is to provide reliable investigations to patients. All Diagnostics centres provide 24 X 7 X 365 service includes Emergency Investigations. Depends on the size and need of the specific hospital, Real time surgeries and casualty linked investigation is provided. It is an Independent revenue line for the company

BUSINESS OVERVIEW, FINANCIAL PERFORMANCE AND FUTURE OUTLOOK

During the financial year ended March 31, 2019, the combined revenue of network hospitals in Scandent and Family Care Hospitals was Rs. 14.19 Crore with an EBITDA of Rs. 1.16 Crore as compared to Revenue of Rs. 5.18 Crore in previous year. The improved financial performance is on the back of steady growth of newer hospitals towards breaking even at the EBITDA level as also margin improvements at existing hospitals, driven by revenue growth, improvement in business mix, and cost reduction initiatives. The network derives approximately 65% of its revenue from secondary care and surgical procedures, which are complex services with superior gross margins.

For the year ended March 31, 2019, the average occupancy rate for Family Care network of hospitals was approximately 20% of the operational beds, despite capacity additions and reduction in average length of stay.

Your company's primary business of running the chain of CBCT imaging centres continued to do well. The number of such centres expanded to 10 CBCT centres and 22 partner OPG Centres. Last Year, your company took over 3 hospitals in Mumbai. They were an operating 20 bed hospital for management in Saki Naka, a 25 bed hospital in Mahim and a 100 bed infrastructure multi specialty hospital in Mira Road, in Mumbai. These acquisitions were done between August 2017 and March 2018 and the Company may seek for investment in future for expansion of its operations by acquiring other stressed hospitals in Asset Light Model.

Your company performed well and delivered another year of consistent and responsible growth. Your Company is in the process to expand its business. Your Company's strategic intent continues to be strengthening of its leadership position in the business. Family Care Hospitals derives competitive advantage from its network presence in Mumbai and positive brand image. Family Care Hospitals intends to leverage its brand to grow organically in these locations, add advanced quaternary care services and evolve its offerings to serve upcoming diseases burdens – lifestyle diseases, non-communicable diseases etc. Simultaneously Family Care Hospitals is exploring avenues to further expand its reach and provide quality care to people at large, outside of its hospital campuses through technology and focused day-care centres.

FUTURE GROWTH STRATEGY

We believe that we have established a well-recognized brand by delivering quality diagnostic and related healthcare tests and services.

The key elements of our business strategy are as follows:

▪ **Continue to focus on both Organic and Non-organic growth initiatives to expand our business reach**

We have developed a highly differentiated and focused growth strategy of dividing the key target cities in which we operate into focus cities, seeding cities and other key cities, on the basis of our market share, the strength of our brand, operational history, experience and the quality of our team. We channel resources in growing our market share within these geographies in order of their importance in our growth strategy.

▪ **Continue Our Focus on Providing Quality Tests and Services**

The quality and reliability of our tests and services are critical to our success. Our vision is to help doctors treat their patients better and our strategy is to take the following steps in this regard:

- o upgrading our technology for better quality, efficiency and reliability;
- o consistent value addition to tests being offered; and
- o Promoting disease and disorder specific profiles, to allow doctors to receive comprehensive view of the patient's disease status.

▪ **Focus on Increasing our Business from Individual Patients**

We believe our business derived from individual patients provides better economies of scale, and to leverage this opportunity, we intend to:

- o *Focus on Scandent-branded Third Party Patient Service Centres (PSCs):* We will continue to expand our service network by contracting with Third Party PSCs. Third Party PSCs act as our exclusive service providers, and operate in accordance with our standards and specifications. We incur limited capital expenditure in case of Third-party PSCs and intend to continue to set up Scandent-branded Third Party PSCs to create visibility and increase our presence in the market.
- o *Employ focused sales and support team:* As part of our "Direct to Doctors" approach, we intend to employ focused sales and support team, whose primary focus is to emphasize on our widespread service network, accuracy of our test results and the scale of our test menu, to increase our business derived from individual patients. Our focused sales team will be supported by a technical team to ensure compliance with our quality standards at our patient touch points.
- o *Undertake targeted marketing initiatives:* As part of our "Direct to Patients" approach, we undertake targeted marketing initiatives to create strong brand equity and awareness towards our brand. We intend to continue to promote our business by customizing our marketing initiatives based on the market dynamics, including conducting digital engagement activities on social media platform, organizing health camps in the catchment areas of our patient touch points and developing disease awareness programs.

▪ **Focus on Consolidation Opportunities in a Largely Unorganized Healthcare Sector**

According to Frost & Sullivan, while the diagnostics industry is largely unorganized, increased brand awareness among patients and costumers, increased penetration of specialized tests, and a diverse and large test menu at organized providers provides opportunity for faster consolidation in the diagnostics industry. Given our track record of successful consolidations, we believe that we are well positioned to take advantage of the expected consolidation and shift towards organized providers in the Indian diagnostics market.

- o We will continue to selectively evaluate expansion opportunities in India, including through acquisitions of regional diagnostic healthcare service providers to, among others:
- o grow in newer markets;
- o increase our customer base to consolidate our position in markets in which we currently operate;
- o strengthen or expand our technological capabilities; and
- o Enable us to achieve operating leverage by unlocking potential efficiency and synergy benefits.

In the past, we have integrated technology infrastructure, standard operating processes and logistics network of majority of the acquired businesses with our own systems in the past. Through our expertise and demonstrated track record of identifying appropriate targets, successfully integrating them and helping them grow, we believe that we are well positioned to drive growth of our business through inorganic route.

▪ **Pursue New Avenues of Growth**

We intend to pursue several new avenues of growth, including:

- o Growing our offering of test packages: We intend to increase the scope of test packages offered by us by offering
 - i. personalized packages to our individual patients, based on patient's age, sex and medical history; and
 - ii. Customized packages to our institutional customers, based on their requirements.

We expect that these packages will increase revenue per patient visit as well as revenue per test.

We have a dedicated sales and marketing team, which engages with senior medical consultants and key opinion leaders, to promote our specialty tests and disease specific profiles.

- o Pursuing scientific up-selling of tests: In line with scientific advancements in CBCT technology, we have, over the time, made investments in these fields and are well positioned to improve the test menu and our technology capability in these areas. For instance, we have a comprehensive CBCT test menu. We also intend to pursue scientific up selling of tests, primarily to clinicians, to increase the scope of our test menu. We are also focused on growing our portfolio of tests, with special focus on specialized tests which have less competition and higher margins due to advanced technology, skilled manpower and complex processes involved.
- **Family Care Hospitals** continuously strives to improve the quality of its healthcare services provided by its owned and serviced hospitals, while at the same time improving its financial results. Below are the key strategies Family Care Hospital is employing to achieve these goals:
 - o Deliver world-class healthcare by creating institutions committed to the highest standards of medical and service excellence, patient care, scientific knowledge and medical education by acquiring 25 hospitals of 100 beds each across Mumbai and nearby areas.
 - o Expand and invest in select and complex clinical capabilities, and launch new programs around the same (eg. organ transplants, stem cell therapy, experimental medicine, IVF centres, CSSD, Modular OT, and Ambulance loaded with ICU equipment, providing healthcare card that can be used as Medical insurance or loyalty card, etc.)
 - o Strengthen existing advantages in identified specialties around which centres of excellence have been built in the hospital (i.e. cardiac sciences, neuro sciences, orthopedics, oncology, urology, nephrology, Cath lab, Pulmonologist, Orthopedic surgery etc), and also drive premium revenue based on these advantages;
 - o Increase share of revenues from tertiary care and surgeries, based on the expertise in specialties;
 - o Increasing share of associated and walk-in business relative to institutional business with a view to improve margins, through focused marketing initiatives;
 - o Drive personnel cost efficiencies through initiatives like network-wide sharing of medical and managerial personnel, setting up of shared service centres, and developing better organizational structures;
 - o Reducing percentage of cost of materials by harnessing economies of scale through centralized sourcing, identifying substitution opportunities with low cost high quality materials, and working on re-usages;
 - o Continue to expand capacity with a flexible expansion program, with a near term focus on expansion of capacity at existing hospitals and select Greenfield and Brownfield expansion opportunities;
 - o Attract and retain prominent, skilled doctors who have established reputations for clinical excellence in their communities by offering a well-respected brand and state-of-the-art facilities;
 - o Seeding alternate models e.g. cancer day care centre and to leverage technology to provide health services outside of hospital;

Business Value Additions to Ecosystem by Scandent Imaging Limited's Family Care Hospitals:

| Sr. No. | Particulars | Benefits |
|----------------|---------------------------------|---|
| 1 | Patients/ Society | <ul style="list-style-type: none"> ● Patients can get better quality services at affordable and reasonable prices. ● We will try to reduce extra hidden cost burden that directly comes on Patients. ● Society will get benefited as they get better healthcare services and hospitals in nearby area. ● Our 24*7 Doctors will remain in their services. ● Patients can reach to our various hospitals through our Loyalty cards/ membership no. across Mumbai. |
| 2 | Doctors/ Consultants | <ul style="list-style-type: none"> ● We will be employing Doctors in our Company, who will cater customers 24*7. Doctors will not have to rush from 1 hospital to another or for any personal clinical work. They get fixed salaries and only need to cater to our Group Hospitals. They will be part of our ecosystem where we generate employment for Doctors, Clinical staff and other. |
| 3 | Company | <ul style="list-style-type: none"> ● Company will grow its business by reaching out regional population by setting up hospitals in various areas by Operating Hospitals on Lease and Rental Model (Asset Light Model). ● Profit margins would be higher for the Company due to Volume of Patients, Highly reputed Doctors as employees, lower fixed cost, and unique medical packages. ● Creating Brand Name by building Trust in regional areas help us to penetrate the market with lower cost and high growth potential in Indian Healthcare Industry. ● Integrated use of technology for the benefits of patrons, doctors, company and its eco-system ● Transparent and standardized work flow systems and culture |

GENERAL RISKS AND CONCERNS

Risk and threat are inherent part of the any Industry. Although, risks cannot be avoided completely in any type of business but they can surely be mitigated with the help of well planned strategies.

Our Company strives to minimize the risk and maximize return but because of fragile economy, slow growth rate, cost of borrowing, fluctuation in currency, etc. the demand for the consumers is affected. The Company is constantly taking steps to mitigate the risk by early detection of risk, taking control measure and reviewing it from time to time.

We are subject to the social, economic and political conditions of operating in emerging markets. Political instability or changes in the Government of India or in the government of the states where we operate could cause us significant adverse effects.

Even changes in the Municipal Corporations or their policies could have adverse effect on our business. We are incorporated in India and the vast majority of our operations, assets and personnel are located in India.

Consequently, our performance and the market price and liquidity of our Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

The central government has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares may be affected by changes in central government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

Since 1991, successive central governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued. A significant change in the central government's policies, in particular, those relating to the healthcare services industry in India, could adversely affect our business, financial condition, cash flows and results of operations and could cause the price of our Equity Shares to decline.

Litigations by various stakeholders is another challenge which your company will need to learn and dela with at all times. Also, securing regulatory approvals is a strategic risk for the company. Most of the times it is an ongoing activity and your company may not have the say to organize these approvals affecting not just the reputation of the company but also make financial losses for the company.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company maintains adequate internal control system in place to ensure that the Company's resources both tangible and other assets are protected and that all the transactions are properly accounted for and recorded. The Company has appointed an Internal Auditor M/s. G. S. Toshniwal & Associates, Chartered Accountant who independently evaluates the efficiency of the internal control and also audits the transactions of the Company and reports to the Audit Committee of the Company.

HUMAN RESOURCES

Human resource has the key role in the growth and development of our organization. Your Company has embarked on several initiatives to strengthen its Employee Relations. There is a constant endeavor to identify individual capability development needs and provide structured support and intervention to hone these capabilities. However, management will increase its appropriate strength of human resource keeping in parity with the future business.

As of March 31, 2019, Scandent Network had approximately 55 Doctors as Consultants, of which approximately 19 were full-time employees, including several doctors of international repute. Scandent and Family Care Hospitals follows a model aimed towards healthcare excellence based on focused management and leadership, established systems and protocols, professional development for its healthcare professionals through continuing medical education and training courses, superior infection control and patient safety measures, stringent audit measures, continuous monitoring of patient feedback as well as quality patient care.

The company employed 130 professionals as on March 31, 2019 across all its business and service verticals.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

| Particulars | FY 18-19 | FY 17-18 | Explanation |
|----------------------|----------|----------|--|
| Debtors Turnover (X) | 11.32 | NA | Company's working capital is stretched as income from insurance and other government schemes take time to materialize causing cash flow constraints. This results in tight cash management for the company. Also, as the company continues to conduct the regular capex and new service related investments the costs tend to rise at a faster pace company to the income. In certain cases, the company is to receive the income for the services delivered, which also adds to the liquidity challenges for the business. As a growing business, especially in the hospital service business, wherein turnaround needs to be effected, new teams created, business plans executed and iterated, such ratios may not have a significant meaning till the businesses are stabilized and overall perspective is consolidated. Yet, we believe the same are on the higher side at present. |

| Particulars | FY 18-19 | FY 17-18 | Explanation |
|---|----------|----------|--|
| Inventory Turnover (X) | 5.17 | 3.31 | Same as above |
| Creditors Turnover (X) | 0.54 | 2.00 | Same as above |
| Interest Coverage Ratio (X) | 1.12 | 10.53 | Reduced profitability at EBIDTA levels during FY2019 has resulted in this situation. |
| Current Ratio* | 1.44 | 1.39 | Same as above. |
| Debt Equity Ratio** | 1.30 | 0.92 | This is because the company is securing funds from related parties to grow its business. |
| Operating Profit Margin (%) | 4% | 22% | Increased revenue expenses in the hospitals business, with certain centres making losses has resulted in reduced performance for the company for FY18-19. The situation is expected to improve based on management actions and decisions soon. |
| Net Profit Margin (%) | 0% | 16% | Same as Above |
| Increase in Net worth*** | 497 | 495 | This is due to increase in net profits of the company, post no declaration of dividend. |
| * Current Liabilities only includes trade Payables and Provisions | | | |
| ** Debt includes Long term and short term financial liabilities | | | |
| *** In Rupees Lakhs | | | |

CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in widest sense and meet up its Stakeholder's aspirations and societal expectations. It is about promoting fairness, equity, transparency, accountability and respect for laws.

The Company has always endeavored to implement the Corporate Governance process in the most democratic form as maximization of shareholders wealth is cornerstone of your company. Your Company has been committed in adopting and adhering to global recognized standards of corporate conduct towards its employees, clients and the society at large. The management team of your Company exerts the strict adherence to corporate governance practices in order to cover the entire spectrum of governance activities and benchmark its practices with the prevailing guidelines of Corporate Governance.

This Report, therefore, states the compliance status as per requirements of Companies Act, 2013 and Listing Regulations, 2015. Given below are the Company's corporate governance policies and practices for 2018-19. M/s. Scandent Imaging Limited has complied with the statutory and regulatory requirements stipulated in the applicable laws, including Listing Regulations, 2015.

2. ETHICS/GOVERNANCE POLICIES

Your Company strives to conduct business and strengthen the relationships in a manner that is dignified, distinctive and responsible. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, the Company has adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Prohibition of Insider Trading
- Vigil Mechanism and Whistle Blower Policy
- Policy on Related Party Transactions
- Policy for evaluation of performance of the Board of Directors
- Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Code for Independent Directors
- Risk Management Policy
- Code of Conduct for Director and Senior Management
- Policy for annual evaluation by the Board of its own performance, that of its committees and individual Directors.
- Policy for prevention of sexual harassment of woman at workplace

3. BOARD OF DIRECTORS

The Board of Directors key purpose is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders. In addition to business and financial issues, Boards of directors must deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

The Board of Directors is entrusted with the ultimate responsibility of the Management, direction and performance of the Company.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

The Board of Directors is not related inter-se except :

- Mr. Gautam Deshpande, Managing Director of the Company is a relative of Mrs. Sowmya Deshpande, Whole Time Director of the Company (Husband and wife).
- Mr. Dr. Mohan Shankaranarayan Vaidyanathan, Non-Executive Non Independent Director is a relative of Mrs. Pratibha Walijkar, Independent Director of the Company (Husband and wife).

4. COMPOSITION OF THE BOARD:

The Board Comprises Two Executive Directors, One Non Executive Non Independent Director and Two Non Executive Independent Directors. The Board has no institutional nominee director. The Company has a non - executive Chairman. According to regulation 17(1) (b) of the SEBI Listing Regulations, 2015, where the Chairman is non- executive director, at least one-third of the board of directors shall comprise of independent directors.

The composition of Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibility and provide leadership to the business.

The Composition of the Board is conformity with regulation 17 of the SEBI Listing Regulations read with section 149 of the Act. Independent Directors are non – executive directors as defined under Regulation 16 (1) (b) of the SEBI Listing Regulations 2015 read with section 149 (6) of the Companies Act, 2013 (“Act”). The maximum tenure of an independent Director is in compliance with the Act. All the independent Directors confirm that they meet the criteria as mentioned under Regulation 16 (1)b of the SEBI Listing Regulation 2015 read with Section 149(6) of the act .The details of each member of the Board, their attendance at Board Meeting held during the year along with the number of directorship /committee Membership /Chairmanship are given herein below:

Detail of composition of Board of Directors, attendance, no of directorship in other Companies is given below:

| Name of Directors | Category | No of Board Meeting during the year | | Whether attended last AGM held on 29 th August, 2018 | No. of Directorship in listed entities including this listed Entity | No. of post of Membership/ Chairperson in Committee held in listed entities including this listed entity.** | |
|---|--|-------------------------------------|----------|---|---|---|--------|
| | | Held | Attended | | | Chairman | Member |
| Dr. Gautam Deshpande | Managing Director | 4 | 4 | Yes | 1 | NIL | 1 |
| Mr. Rajnish Pandey | Non Executive & Independent Director | 4 | 4 | Yes | 1 | 2 | NIL |
| Dr. Sowmya Gautam Deshpande | Whole Time Director | 4 | 4 | Yes | 1 | NIL | NIL |
| Dr. Burzin Khan *** | Non Executive & Independent Director | 2 | 2 | Yes | 1 | NIL | 1 |
| Dr. Pratibha Walinjkar | Non Executive & Independent Director | 4 | 4 | Yes | 1 | NIL | 2 |
| Dr. Mohan Shankaranarayan Vaidyanathan*** | Non Executive & Non Independent Director | - | - | NA | 1 | NIL | 1 |

* A Director, wherever he is the Chairperson of the Committee, is also a member of the Committee.

** Includes only Audit/Stakeholder Committee

*** Mr. Burzin Khan resigned as an Independent Director on 11th April, 2019. At the Board Meeting held on 29th May, 2019, Dr. Mohan Shankaranarayan Vaidyanathan was appointed as an additional Non Executive Non Independent Director of the Company subject to approval of the members.

The Company has two verticals of business, Maxillofacial imaging & Hospital management. Both verticals are focused on the healthcare sector & hence the board majorly constitutes of medical professionals.

There is a versatile team of doctors with expertise in Maxillofacial imaging, Senior practitioners with 20-40 years of experience in specialised dental practice & practice management. The team of professionals who are on the board have held & managed multiple positions in healthcare practice & management in addition to members who hail from the field of Chartered Accountancy.

Overall there is a team who possess both skill sets & seniority to manage & grow the healthcare focused business verticals.

Note: None of the Directors is a member of the Board of more than twenty Companies or a member of more than ten Board-level Committees or a Chairman of more than five such Committees.

Further, in compliance with Regulation 17A of the SEBI Listing Regulations, none of the Independent Directors hold directorships in more than seven listed companies. Further, none of the Directors who serve as Whole-time Director/ Managing Director in any listed entity serves as an Independent Director in more than three listed entities.

The details of equity shareholding of all the Directors are provided elsewhere in this Report.

5. BOARD MEETING

During the year under review, the Board meet 4 (Four) times in the year. The dates on which the Board Meeting were held are 29th May 2018, 14th August 2018, 14th November 2018 and 13th February 2019. At any given time the gap between any two meetings did not exceed four months. The necessary quorum was present for all the meetings.

During the year 2018-19, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration. Notice of the meetings is given well in advance to all the Directors in writing at their residential address. The draft minutes of the proceedings of the Board of Directors/Committees are circulated in advance and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions specified in section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management.

6. BOARD PROCEDURE

A detailed agenda and notes thereon are sent to each Director in advance of Board and Committee Meetings except for the Unpublished Price Sensitive Information which are circulated separately or placed at the Meetings of the Board and the Committees. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any documents of the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. To enable the Board to discharge its responsibilities effectively, the Board is appraised at every meeting on the overall performance of the Company. A detailed report on operations of the Company and quarterly compliance report are also presented at the Board Meetings. The Board reviews strategy and business plans, annual operating and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any, minutes of the Board Meetings of your Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of Quarterly / half yearly / annual Financial Results, significant labour issues, if any, transaction pertaining to purchase / disposal of property, if any, major accounting provisions and write-offs, corporate restructuring, if any, Quarterly details of foreign exchange exposures, Minutes of meetings of the Audit Committee and other Committees of the Board and information on recruitment of senior officers just below the Board level including appointment or removal of chief financial officer and company secretary. The Board reviews a compliance certificate issued by the Managing Director regarding compliance with the requirements of various Statutes, Regulations and Rules as may be applicable to the business of the Company. The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalises the agenda for Board meetings.

7. DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Dr. Gautam Deshpande (DIN: 00975368), being longest in the office, retires by rotation at the ensuing Annual General Meeting. Dr. Gautam Deshpande being eligible, has offered herself for re-appointment. Brief resume of Dr. Gautam Deshpande, Director seeking re-appointment is given with Annexure A of Notice.

8. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25 (7) of the listing Regulation, The Company imparted various familiarization programme for its Directors .Your Company has put in place a structured induction and familiarization programmes for all its Independent Directors. The Company through such programme familiarizes the Independent Directors, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, etc.

Pursuant to Regulation 46 the details required are available on the website of the company at the web link: <http://www.scandent.in/policies.html> .

9. INDEPENDENT DIRECTOR'S MEETING

The Independent Director of your Company meet before the Board Meeting without the presence of the Non – Independent Director. These meeting are conducted in a flexible manner to enable the Independent director to ,inter-alia discuss matters pertaining to review the performance of Non Independent director and the Board as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year, one meeting of the Independent Directors was held on 29th March 2019.

10. CODE OF CONDUCT

As per Regulation 17 (5) of the SEBI Listing Regulations, 2015, the Board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct is also posted on the website of the Company at the following link: <http://www.scandent.in/code-of-conduct.html>

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2019. The annual report of the Company contains certificate by the CFO and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

11. COMMITTEES OF THE BOARD

11.1 AUDIT COMMITTEE:

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act. The Audit Committee comprises of the following Director viz. Dr. Rajnish Kumar Pandey, Chairman, Dr. Pratibha Walinjar and Dr. Gautam Deshpande.

The term of reference of these committees are very wide and are in line with the regulatory requirement mandated by the act and part C of the Schedule II of the Listing Regulation.

The Committee acts as a link between the Statutory and the internal Auditors and Board of Directors of the Company.

The terms of reference of the audit committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, re-appointment, Remuneration and term of appointment of auditor of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3) (c) of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter – corporate loans and investments.
10. Examination of the financial statement and the auditor report thereon.
11. Evaluation of internal controls and risk management systems;
12. Valuation of undertakings or assets of the company, wherever it is necessary
13. Establish a vigil mechanism for directors and employees to report genuine concerns manner as may be prescribed;
14. The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company
15. The audit committee shall review the information required as per SEBI Listing Regulations.
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The necessary quorum was present for all the meetings

The composition of the Audit committee and the details of meetings attended by its members are given below:

| Name | Designation | Category & Status | No. of Meetings held during the financial year 2018-19 | No. of Meetings Attended during the financial year 2018-19 |
|----------------------------|-------------|----------------------|--|--|
| Dr. Rajnish Kumar Pandey | Chairman | Independent Director | 4 | 4 |
| Dr. Gautam Mohan Deshpande | Member | Managing Director | 4 | 4 |
| Dr. Pratibha Walinjar | Member | Independent Director | 4 | 4 |

Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows 29th May 2018, 14th August 2018, 14th November 2018 and 13th February 2019. Minutes of the meetings of the Audit Committee are approved by the Chairman of the Committee in its next meeting and are noted and confirmed by the Board in the subsequent Board Meeting.

All the Members of the Committee have rich, vast experience in the field of finance, accounts, corporate laws and the business of the Company.

Mr. Rajnish Pandey, Chairperson of the Audit Committee, was present at the AGM of the Company held on 29th August, 2018.

The Statutory Auditor and the Internal Auditor may attend the meeting of the Audit Committee whenever they are invited.

11.2 STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act, 2013.

The broad terms of reference of committee as below:

- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of status of requests i.e. processing of complaints within statutory timelines;
- Oversee of performance of Registrar and Transfer Agents;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence of the service standards adopted in respect of various services being rendered by the Registrar and Transfer Agents;
- Review of the various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year under review, the Stakeholder Relations Committee met three (3) times follows 29th May 2018, 14th August 2018 and 13th February 2019. The composition of the Stakeholders Relationship Committees and the details of meetings attended by its members are given below:

| Name | Designation | Status | No. of Meetings held during the financial year 2018-19 | No. of Meetings Attended during the financial year 2018-19 |
|--|-------------|--|--|--|
| Dr. Rajnish Kumar Pandey | Chairman | Independent Director | 3 | 3 |
| Dr. Burzin Khan | Member | Independent Director | 3 | 2 |
| Dr. Pratibha Walinjar | Member | Independent Director | 3 | 3 |
| Dr. Mohan Shankaranarayan Vaidyanathan | Member | Non – Executive Non Independent Director | - | - |

Consequent to resignation of Mr. Burzin Khan as an Independent Director on 11th April, 2019, the Stakeholders Relationship Committee was also re-constituted with effect from 11th April, 2019 at the Board Meeting held on 29th May, 2019. In the re-constituted Stakeholders Relationship Committee, Dr. Mohan Shankaranarayan Vaidyanathan was appointed as a Member of the Committee.

Ms. Anushree Tekriwal, Company Secretary & Compliance Officer, is responsible for the compliance with the requirements of the Securities Laws and SEBI Listing Regulations with the Stock Exchanges.

During the year under review, the Company has not received any complaints; hence no complaints are pending as on 31st March 2019. A confirmation of the same has been received from the Registrar and transfer agent.

Name, Designation and Address of Compliance Officer:-

Ms. Anushree Tekriwal

Company Secretary and Compliance Officer

Plot No. A 357, Road No. 26, Wagle Industrial Estate,

MIDC, Thane (West) - 400604, Maharashtra

Tel no.: 022-25833205

Web site: www.scandent.in

Email id: cs@scandent.in

11.3 NOMINATION AND REMUNERATION COMMITTEE

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act 2013.

The broad terms of reference of committee as below:

The terms of reference of Nomination and Remuneration Committee ('NRC'), *inter alia*, includes the following:

- Identification of persons who are qualified to become Directors and who may be appointed at Senior Management position in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommendation for fixation and revision of remuneration packages of Managing Director and Executive Directors to the Board for review and approval;
- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of every Director and carry out performance evaluation of Directors;
- Devising a policy on Board diversity;
- Extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Meetings:

The Committee met twice during the year under review. The Committee meeting was held on the following dates 29th May 2018 and 13th February 2019. As per section 178(7) of the Act and Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorized by him in this behalf shall attend the General Meetings of the Company.

The composition of the Nomination and Remuneration Committees and the details of meeting attended by its members are given below;

| Name | Designation | Status | No. of Meetings held during the financial year 2018-19 | No. of Meetings Attended during the financial year 2018-19 |
|--|-------------|--|--|--|
| Dr. Pratibha Walinjkar | Chairman | Independent Director | 2 | 2 |
| Dr. Rajnish Kumar Pandey | Member | Independent Director | 2 | 2 |
| Dr. Burzin Khan | Member | Independent Director | 2 | 1 |
| Dr. Mohan Shankaranarayan Vaidyanathan | Member | Non – Executive Non Independent Director | - | - |

Consequent to resignation of Mr. Burzin Khan as an Independent Director on 11th April, 2019, the Nomination and Remuneration Committee was also re-constituted with effect from 11th April, 2019 at the Board Meeting held on 29th May, 2019. In the re-constituted Stakeholders Relationship Committee, Dr. Mohan Shankaranarayan Vaidyanathan was appointed as a Member of the Committee.

Performance Evaluation Criteria for Independent Directors:

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

The broad terms of reference of the nomination and remuneration committee are as under;

1. Recommend to the Board the setup and composition of the Board and its committees, including the “formulation of the criteria for determining qualifications, positive attributes and independence of a director.” The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
2. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
3. Recommend to the Board the appointment or reappointment of directors.
4. The Committee’s role includes identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every Director’s performance.
5. Recommend to the Board appointment of Key Managerial Personnel (“KMP” as defined by the Act) and executive team members of the Company (as defined by this Committee).
6. Formulation of criteria for evaluation of Independent Directors and the Board
7. Devising a policy on Board diversity;
8. Oversee familiarization programmes for directors.
9. On an annual basis, recommend to the Board the remuneration payable to the directors and oversee the remuneration to executive team or Key Managerial Personnel of the Company.
10. Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

Remuneration Policy

Remuneration policy in the Company is designed to create a high performance culture. The policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company had been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The policy acts as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

The aforesaid Policy has also been posted on the Company’s website on <http://www.scandent.in/policies.html> .

11.4 RISK MANAGEMENT COMMITTEE:

Regulation 21 of the Listing Regulations mandates constitution of the Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the Risk Management Plan of the Company.

The Composition of the Risk Management Committee is given below:

| Name | Designation | No. of Meetings held during the financial year 2018-19 | No. of Meetings Attended during the financial year 2018-19 |
|----------------------------|-------------|--|--|
| Dr. Gautam Mohan Deshpande | Chairman | 1 | 1 |
| Dr. Rajnish Kumar Pandey | Member | 1 | 1 |
| Dr. Pratibha Walinjkar | Member | 1 | 1 |

One meeting was held on 14th August 2018 during the financial year 2018-19. The Board of Directors has adopted Risk Management Policy which is posted on the Company’s website on <http://www.scandent.in/policies.html>. The roles and responsibilities of the Risk Management Committee shall be such as may be stated in the Risk Management Policy.

12. DIRECTORS REMUNERATION:**Managing Director and Whole Time Director:**

Details of remuneration paid/payable to directors during 2018-19 are provided in an Annexure-1 to the Directors' Report in section VI of Form MGT-9, i.e., extract of the Annual Return.

Non Executive Directors

The Non Executive Directors are entitled for sitting fees of the Board/ Committee Meeting. The Company's Non Executive Directors are paid sitting fees of Rs. 10, 000/- for Board Meeting in the each Quarter and Rs. 5,000/- for Committee Meeting in the each Quarter attended by them irrespective of the number of Board/ Committee Meetings held in each Quarter.

13. SUBSIDIARY:

The Company does not have any subsidiary Company.

14. GENERAL BODY MEETINGS:**a) Annual General Meeting**

The Particulars of Annual General Meeting held during the last three years are as follows:

| Financial Year | Date & Time | Venue | Special Resolution | Details of Special Resolution passed |
|----------------|--|--|--------------------|--|
| 2015-2016 | 30 th September, 2016 at 11.30. a.m | IMC, Building ,Indian Merchant Marg, Charchgate, Mumbai-400020 | Yes | 1. Revision in terms of Remuneration of Dr. Sowmya Gautam Deshpande, Whole Time Director of The Company 2. Re-Appointment of Dr. Gautam Deshpande as Managing Director of The Company 3. Revision in Terms of Remuneration of Dr. Gautam Deshpande, a Managing Director of The Company 4. Appointment of Dr. Burzin Khan (07590268) as an Independent Director 5. Appointment of Dr. Pratibha Bhushan Walinjkar (Din: 07469900) as an Independent Director |
| 2016-17 | 27 th September, 2017 at 11.30 a.m. | IMC, Building ,Indian Merchant Marg, Charchgate, Mumbai-400020 | Yes | 1. Re-Appointment Of Dr. Burzin Khan As An Independent Director. 2. Re-Appointment Of Dr. Pratibha Bhushan Walinjkar (Din: 07469900) As An Independent Director. 3. Adoption Of New Set Of Memorandum Of Association 4. Adoption Of New Set Of Articles Of Association. |
| 2017-18 | 29 th August, 2018 at 12.00 noon | A357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West) - 400604, Maharashtra | Yes | 1. Revision of Remuneration of Dr. Sowmya Gautam Deshpande, Whole Time Director of the Company . 2. Revision of Remuneration of Dr. Gautam Deshpande, a Managing Director of the Company . |

b) Extra Ordinary General Meeting

During the year under review 2018-2019, no Extra Ordinary General Meeting was held by the Members of the Company.

Postal Ballot**Details of Special Resolution passed through Postal Ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.**

Pursuant to Sections 108 and 110 of the Act including Rules made there under and Regulation 44 of the SEBI Listing Regulations, the Postal Ballots were conducted in physical & e-voting mode. Mr. Mukesh Siroya, Practicing Company Secretary (FCS No. 5682, CP No. 4157) was appointed as Scrutinizer for conducting Postal Ballot in a fair and transparent manner.

The Company engages the services of Cenral Depository Services Limited ("CDSL") for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical postal ballot form or through e-voting. The Company dispatches the postal ballot notices and forms along with postage pre-paid self-addressed envelope to its members whose names appear on the Register of Members/list of beneficiaries as on cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with the Company/ Company's RTA. The Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements under the Act and the Rules issued thereunder.

Voting rights are reckoned on the paid up value of shares of the Company in the names of the shareholders as on the cut-off date. Members desiring to vote through physical postal ballot form are requested to return the forms, duly completed and signed so as to reach the Scrutinizer before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before the close of business hours on the last date of e-voting.

The Scrutinizer submits his report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman or any Director authorised by him or Company Secretary. The results are displayed on the website of the Company www.scandent.in, besides being communicated to the Stock Exchanges and CDSL.

During the year, Company has passed the Special Resolution by the way of postal ballot for alteration of Memorandum of Association of the Company, notice approved in the board meeting held on 14th August, 2018 and result of the same was announced on 17th October, 2018.

Details of special resolution proposed to be conducted through postal ballot:

Special resolution is proposed to be conducted through postal ballot for alteration of Memorandum of Association of the Company by inserting new object in the main object clause.

Person who conducted the Postal Ballot: Mukesh Siroya, Proprietor, Practising Company Secretary

15. DISCLOSURES:

Compliance Certificate

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II to the SEBI Listing Regulations, 2015.

Report on Corporate Governance

This chapter, read together with the information given in the Directors' Report and the chapters on Management Discussion and Analysis and General Shareholder Information, constitute the compliance report on Corporate Governance during 2018-19. The Company has been regularly submitting the quarterly compliance report to the stock exchanges as required under regulation 27 of the SEBI Listing Regulations, 2015.

Certificate on Corporate Governance

The Company has obtained the certificate from Practising Company Secretary regarding compliance with the provisions relating to Corporate Governance laid down in Part E of Schedule V to the SEBI Listing Regulations, 2015. This certificate is annexed to the Directors' Report and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.

Certificate by Practicing Company Secretary

The Company has received certificate from Mr. Ajay Kumar & Co, Practising Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such authority. The certificate forms a part of this Annual Report.

Compliance of mandatory Requirements

1. Mandatory

Your Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

16. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy. The policy comprehensively provides an opportunity for any employee of the Company to raise and report any issue or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy has been communicated to the employees and the same is uploaded in the company's website i.e. <http://www.scandent.in/policies.html> .

17. MEANS OF COMMUNICATION

Your Company, from time to time and as may be required, Communicates with its security-holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website. The Quarterly results of the Company are regularly submitted to the Stock Exchange where the shares of the Company are listed. Subsequently the results are also published in the one English Newspaper "Business Standard" and one Regional Newspaper "Mumbai Lakshadweep"

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/operations of the Company and other price sensitive information.

The Quarterly results of the Company are also uploaded on the website of the Company at <http://www.scandent.in/financial-results.html> after their declaration.

18. GENERAL SHAREHOLDERS INFORMATION**a) Annual General Meeting****Date : 20th September, 2019****Time : 12.00 Noon****Venue : Brahman Seva Sangh, 19, Brahman Society, Late Divakar Ganesh Gangal Road, Naupada, Thane (West) – 400602****b) Financial year of the Company**

The financial year covers the period from 1st April to 31st March.

c) Financial Calendar:

| | |
|---|---|
| Results for first Quarter | On or before 14 th August 2019 |
| Results for second Quarter | On or before 14 th November 2019 |
| Results for third Quarter | On or before 14 th February 2020 |
| Results for fourth Quarter and Annual | On or before 30 th May 2020 |
| Annual general Meeting for the year 2019-20 | On or before 30 th September, 2020 |

d) Date of Book ClosureThe register of members and share transfer books of the Company will remain closed from 14th September, 2019 to 20th September, 2019 (both days inclusive).**e) Dividend Payment Date**

No dividend has been recommended for the Financial Year ended 2018-2019.

f) Listing on Stock Exchange

The Equity Shares of the Company are listed on the BSE Limited (BSE), P.J. Tower, Dalal Street, Mumbai – 400 001, Maharashtra . Listing Fee as applicable have been Paid.

g) Stock Code

BSE Limited: 516110

ISIN Demat No. INE146N01016

h) Corporate Identification Number (CIN): L93000MH1994PLC080842.**i) Registered office address:**

A-357, Road No.26,Wagle Industrial Estate, MIDC, Thane (west) Thane- 400604

j) Market Price Data - High, Low during each month in last financial year:

| BSE HIGH AND LOW PRICE AS ON APRIL 2018 – MARCH 2019 | | | | BSE SENSEX | |
|---|-------------|------------|--------------|-------------------|------------|
| Month | High | Low | Close | High | Low |
| April 2018 | 20.85 | 17.65 | 18.00 | 35213.30 | 32972.56 |
| May 2018 | 20.30 | 16.30 | 17.30 | 35993.53 | 34302.89 |
| June 2018 | 17.50 | 14.10 | 14.10 | 34784.68 | 35423.48 |
| July 2018 | 15.25 | 12.55 | 15.20 | 35106.57 | 37606.58 |
| Aug 2018 | 19.40 | 14.55 | 18.00 | 37128.99 | 38645.07 |
| Sep 2018 | 20.90 | 18.50 | 19.50 | 35985.63 | 36227.14 |
| Oct 2018 | - | - | - | 33291.58 | 34442.05 |
| Nov 2018 | 18.55 | 17.65 | 17.65 | 34303.38 | 36194.30 |
| Dec 2018 | 16.80 | 14.45 | 14.45 | 34426.29 | 36068.33 |
| Jan 2019 | 13.73 | 9.65 | 9.65 | 35375.51 | 36256.69 |
| Feb 2019 | 9.20 | 8.75 | 8.75 | 35287.16 | 35867.44 |
| Mar 2019 | - | - | - | 35926.94 | 38672.91 |

k) Registrar and Share Transfer Agent (RTA)

Name and Address: Purva Sharegistry (India) Pvt Ltd
 Unit no. 9, Shiv Shakti Ind. Estt.,
 J .R. Boricha Marg, Opp. Kasturba Hospital Lane,
 Lower Parel (E), Mumbai 400 011
 Tel: 91-22-2301 6761 / 8261
 Fax: 91-22-2301 2517
 Email: busicomp@gmail.com

l) Share Transfer Mechanism:

The share transfers received are processed through Registrar and Share Transfer Agent (RTA) within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The share certificates duly endorsed are returned immediately to the shareholders by RTA. The details of transfers/transmission so approved, is placed before the Stakeholders Relationship Committee for its confirmation. The Stakeholders Relationship Committee meets as and when required to inter alia consider the other transfer proposals, requests for issue of duplicate share certificates, attend to Shareholders' grievances, etc.

m) Shareholding Pattern as on 31st March 2019:**(i) Distribution of Shares as on 31st March 2019:**

| Shareholding of Nominal Value | No. of Shareholders | % to total | In Rs. | % to total | No of shares held |
|-------------------------------|---------------------|------------|------------------|------------|-------------------|
| Upto 5000 | 3462 | 92.34 | 4310260 | 1.34 | 431026 |
| 5001 – 10000 | 92 | 2.45 | 792160 | 0.25 | 79216 |
| 10001 – 20000 | 56 | 1.49 | 921850 | 0.29 | 92185 |
| 20001 – 30000 | 22 | 0.59 | 556200 | 0.17 | 55620 |
| 30001 – 40000 | 10 | 0.27 | 355380 | 0.11 | 35538 |
| 40001 – 50000 | 22 | 0.59 | 1030020 | 0.32 | 103002 |
| 50001 – 100000 | 25 | 0.67 | 2111850 | 0.66 | 211185 |
| 100001 and above | 60 | 1.60 | 310922280 | 96.86 | 31092228 |
| Total | 3749 | 100 | 321000000 | 100 | 32100000 |

(ii) Categories of Equity shareholders as on March 31, 2019:

| Category | | No. of Shares | Shareholding % |
|------------|---|-----------------|----------------|
| (A) | Promoter & Promoter Group | 16447400 | 51.24 |
| | Individuals/Hindu Undivided Family | | |
| | Total (A) | 16447400 | 51.24 |
| (B) | (1) Public Shareholding (Institutions) | | |
| | Mutual Funds/ UTI | 2400 | 0.01 |
| | Financial Institutions / Banks | 46500 | 0.14 |
| | Sub-Total (B)(1) | 48900 | 0.15 |
| (B) | (2) Public Shareholding (Non-institutions) | | |
| | (a) Bodies Corporate | 1123676 | 3.50 |
| | (b) Individuals | | |
| | i. Individual shareholders holding nominal share capital up to Rs 1 lakh | 959729 | 2.99 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 13229775 | 41.21 |
| | © NRI (Repat. & Non Repat.) | 43100 | 0.13 |
| | (d) Hindu Undivided Family | 105844 | 0.33 |
| | (e) Clearing Members | 131000 | 0.41 |
| | (f) Others – LLP | 10576 | 0.03 |
| | Sub – Total (B) (2) | 15603700 | 48.61 |
| | Total Public Shareholding (B)= (B)(1)+(B)(2) | 15652600 | 48.76 |
| | Total (A + B) | 32100000 | 100 |

n) Plant Locations: Not Applicable.**19. DEMATERIALIZATION OF SHARES**

The Equity Shares of the Company are to be traded compulsorily in Dematerialized form. As on 31st March 2019, 30955200 Equity Shares (Constituting approx.96.43%) were in dematerialized form. The Company has entered into agreements with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for this purpose.

20. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments. Disclosures with respect to demat suspense account/ unclaimed suspense account. The Company does not have any shares in the demat suspense account/ unclaimed suspense account.

21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report forms part of this Annual Report.

22. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

During the Financial Year 2018-19, there were no materially significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, Subsidiaries, etc. that may have potential conflict with the interests of the Company at large. Further, details of related party transactions are presented in Note No. 31 to Annual Accounts in the Annual Report.

23. ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The Company has followed the Accounting Standards, the Generally Accepted Accounting Principles in India, provision of the Act and Rules framed thereunder.

24. DETAILS OF NON-COMPLIANCE RELATING TO CAPITAL MARKETS

The Company has complied with all the requirements of regulatory authorities with respect to capital markets. There were no instances of non-compliances by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets during the year under review.

25. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

The Company had adopted a comprehensive Code of Conduct for prevention of insider trading for its Directors and designated persons. The Code lays down guidelines, through which it advises the designated persons or directors on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "the Regulations") replaced the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 w.e.f. 15th May, 2015. The Regulations requires every listed company to formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to these Regulations.

In Compliance with the said requirements, the Company has introduced a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI") (hereinafter referred to as the "Code").

This Code was revised by the Board of Directors of the Company at its meeting held on 29th May, 2019 pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2019 and shall be effective w.e.f. 1st April, 2019.

26. RECONCILIATION OF SHARE CAPITAL:

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

DECLARATION BY THE MANAGING DIRECTOR UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION, 2016

I, Dr. Gautam Deshpande, Managing Director of Scandent Imaging Limited hereby declare that all the members of the Board of Directors of the Company and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2019.

Dr. Gautam Deshpande
Managing Director
DIN: 00975368

Place: Thane
Date: 29/05/2019

CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V (E) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of SCANDENT IMAGING LIMITED

We have examined the compliance of conditions of the Corporate Governance by **Scandent Imaging Limited** (CIN: L93000MH1994PLC080842) (the Company), for the year ended on 31st March 2019, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management we certify that the Company has complied with all the mandatory Requirement of the Corporate Governance as stipulated in the aforesaid Listing Agreement/Listing Regulations, 2015 as applicable.

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

**For Ajay Kumar & Associates
Practicing Company Secretary**

**(Ajay Kumar)
ACS No: 3399
COP No: 2944**

**Place : Mumbai
Date : 29/05/2019**

CFO AND MD CERTIFICATION

To,
**The Board of Directors,
Scandent Imaging Limited.**

We, Gautam Deshpande, Managing Director and Amit Tyagi , Chief Financial Officer of Scandent Imaging Limited hereby certify to the Board that:

- a. We have reviewed the Financial Statements and the Cash Flow Statements for the year 2018-19 and that to the best of our knowledge and belief :
 - i) These statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading.
 - ii) These statements together present a true and fair view of Companies affair and are in Compliance with existing Accounting Standards, Applicable Laws and Regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, 2018-19 which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining the internal controls for the Financial Reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have not come across any reportable discrepancies in the design or operation of such internal control.
- d. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed Compliance with the code of conduct as adopted by the Company.
- e. We have indicated to the auditors and the Audit committee
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year .
 - (iii) that there are no instances of significant fraud of which we have become aware.

For Scandent Imaging Limited

**Place: Thane
Date: 29/05/2019**

**Gautam Deshpande
Managing Director
DIN: 00975368**

**Amit Tyagi
Chief Financial Officer**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members**Scandent Imaging Limited**

A-357, Road No.26,
Wagle Industrial Estate,
MIDC, Thane (west)
Thane - 400604

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Scandent Imaging Limited having CIN L93000MH1994PLC080842 and having registered office at A-357, Road No.26, Wagle Industrial Estate, MIDC, Thane (west)

Thane - 400604 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company | Date of Cessation |
|---------|--------------------------------|----------|--------------------------------|-------------------|
| 1. | Dr. Sowmya Gautam Deshpande | 00705918 | 30/09/2015 | - |
| 2. | Dr. Gautam Mohan Deshpande | 00975368 | 01/02/2013 | - |
| 3. | Dr. Rajnish Kumar Pandey | 01096119 | 19/03/2013 | - |
| 4. | Dr. Burzin Phiroze Khan | 07590268 | 13/08/2016 | 11/04/2019 |
| 5. | Dr. Pratibha Bhushan Walinjkar | 07469900 | 13/08/2016 | - |

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

For, Ajay Kumar & Co.

(Ajay Kumar)
Proprietor

Membership No.: 3399
CP No.: 2944

Place: Mumbai
Date: 29/05/2019

INDEPENDENT AUDITOR'S REPORT

To the Members of

SCANDENT IMAGING LIMITED

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **SCANDENT IMAGING LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Changes in Equity and the statement of Cash Flows for the year then ended on that date, 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 Ind AS 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 March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters:

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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.

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

Auditors' Responsibility

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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

Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
- B. 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the 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 Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 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 B”.
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any pending litigation as at 31st March 2019.
 - 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.

For **M.B.AGRAWAL & CO.**
Chartered Accountants
Firm Registration No.: 100137W

(M.B.Agrawal)
PARTNER
Membership No.: 009045

Place: Thane
Date: 29th May 2019

Annexure “A” to the Independent Auditors’ Report

(Referred to under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i) In respect of its Fixed Assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, all the assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanation given to us and on the basis of our examination of our records of the company, the company owns no immovable properties and hence reporting under paragraph 3(i)(c) of the said Order is not applicable to the company.
- ii) In respect of its Inventories:
- The Company has maintained proper records for physical verification of inventory and the physical verification of inventory has been conducted at reasonable intervals by the management and there were no material discrepancies were noticed on physical verification.
- iii) The Company has not granted 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 and the same is not prejudice interest of the Company, interest and principle where applicable are repaying the parties and there is no outstanding dues more than 90 days as on 31st March, 2019.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) The Company has not accepted any deposit from public. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii) In respect of its Statutory Dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, 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) According to the records of the company, there are no dues outstanding in respect of Income-Tax, Sales-Tax, Service Tax, custom duty, excise duty, value added tax and cess on account of any dispute.
- viii) The Company has not obtained any loan from any financial institutions or banks and accordingly clause 3(viii) of the Order is not applicable.
- ix) The Company has not raised any money by way of initial offer or further public offer or term loan and accordingly Clause 3(ix) of the Order is not applicable.
- x) On the basis of our examination and according to the information and explanations given to us, no fraud on or by the Company, has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly Clause 3(xii) of the Order is not applicable.

- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) According to information and explanation given to us and based on our examination of the records of the company, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For **M.B.AGRawal & CO.**
Chartered Accountants
Firm Registration No.: 100137W

(M.B.Agrawal)
PARTNER
Membership No.: 009045

Place: Thane
Date : 29th May 2019

Annexure “B” to the Independent Auditors’ Report

(Referred to under ‘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 **SCANDENT IMAGING LIMITED** (‘the Company’) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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 Control over Financial Reporting issued by the Institute of Chartered Accountants of India (the ‘Guidance Note’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing as specified under Section 143 (10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting were 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of 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, 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 the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, 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 controls stated in the Guidance Note.

For **M.B.AGRawal & CO.**
Chartered Accountants
Firm Registration No.: 100137W

(M.B.Agrawal)

PARTNER

Membership No.: 009045

Place: Thane
Date : 29th May 2019

BALANCE SHEET AS AT MARCH 31, 2019

| PARTICULARS | Note No. | As at March 31, 2019 ₹ | As at March 31, 2018 ₹ |
|---|-------------|------------------------------|------------------------------|
| I ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant and equipment | 5 | 86,052,482 | 72,369,801 |
| (b) Capital work-in-progress | | 554,525 | 8,564,200 |
| (c) Financial assets | | | |
| (i) Investments | 6 | - | - |
| (ii) Loans | 7 | - | - |
| (d) Other non-current assets | 8 | 18,226,540 | 13,429,290 |
| Total Non-current assets | | 104,833,547 | 94,363,291 |
| (2) Current assets | | | |
| (a) Inventories | 9 | 1,865,858 | 679,935 |
| (b) Financial assets | | | |
| (i) Trade receivable | 10 | 25,079,977 | - |
| (ii) Cash and cash equivalents | 11 | 4,683,597 | 2,404,076 |
| (iii) Loans | 12 | - | - |
| (iv) Other financial assets | 13 | - | - |
| (c) Other current assets | 14 | 1,470,640 | 1,406,581 |
| Total Current assets | | 33,100,072 | 4,490,592 |
| TOTAL - ASSETS | | 137,933,619 | 98,853,883 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity share capital | 15 | 321,000,000 | 321,000,000 |
| (b) Other equity | 16 | (271,253,867) | (271,494,749) |
| | | 49,746,133 | 49,505,251 |
| II LIABILITIES | | | |
| (1) Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| Borrowings | 17 | 26,69,250 | 24,78,707 |
| (b) Provisions | 18 | 4,12,567 | 4,90,329 |
| Total Non-current liabilities | | 30,81,817 | 29,69,036 |
| (2) Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 19 | - | - |
| (ii) Trade Payables | 20 | 23,047,625 | 1,124,249 |
| (iii) Other Financial Liabilities | 21 | 4,534,677 | 324,115 |
| (b) Other current liabilities | 22 | 57,516,824 | 42,824,563 |
| (c) Provisions | 23 | 6,543 | 2,106,670 |
| Total Current liabilities | | 85,105,669 | 46,379,596 |
| TOTAL - EQUITY AND LIABILITIES | | 137,933,619 | 98,853,883 |
| Corporate Information | 1 | | |
| Significant Accounting Policies | 2 | | |
| The accompanying Notes form an integral part of the Financial Statements | 3 to 41 | | |

As per our report of even date

For and on behalf of the board of Directors of Scandent Imaging Limited

For M.B.Agrawal & Co.Chartered Accountants
Firm Reg. No.100137W**Gautam Mohan Deshpande**
Managing Director
DIN No. 00975368**Rajnish Kumar Pandey**
Director
DIN No. 01096119**M.B.Agrawal**Partner
Membership No. '009045**Anushree Tekriwal**
Company Secretary**Amit Tyagi**
Chief Financial Officer

Place : Thane

Date : 29th May, 2019

Place : Thane

Date : 29th May, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2019

| PARTICULARS | Note No. | Year ended March 31, 2019 ₹ | Year ended March 31, 2018 ₹ |
|---|--------------------|-----------------------------------|-----------------------------------|
| INCOME | | | |
| Revenue from operations | 24 | 141,892,518 | 51,883,504 |
| Other income | 25 | 430,745 | 2,430,571 |
| Total revenue | | 142,323,263 | 54,314,075 |
| EXPENSES | | | |
| Purchase of stock-in-trade | | 7,765,521 | 1,804,184 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | | (1,185,923) | (679,935) |
| Employee benefits expense | 26 | 34,505,206 | 11,794,701 |
| Finance costs | 27 | 5,031,797 | 1,133,635 |
| Depreciation and amortisation expense | 5 | 9,386,326 | 3,921,595 |
| Other expenses | 28 | 86,286,391 | 25,533,062 |
| Total expenses | | 141,789,318 | 43,507,242 |
| Profit / (Loss) before Exceptional Items and tax | | 533,945 | 10,806,833 |
| Exceptional Items | | - | - |
| Profit / (Loss) before Tax | | 533,945 | 10,806,833 |
| Tax expense | | | |
| a) Current tax | 40 | 103,000 | 2,264,367 |
| b) Deferred tax | 37 | - | - |
| c) Earlier Year | | 240,083 | (30,957) |
| Profit / (Loss) for the year | | 190,862 | 8,573,423 |
| Other Comprehensive income | | | |
| (a) (i) Items that will not be reclassified to Profit or Loss | | | |
| Re-measurement of defined benefit plans (net) | | 45,358 | - |
| (b) (i) Items that will be reclassified to Profit or Loss | | - | - |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| Total Other Comprehensive income for the year | | 45,358 | - |
| Total Comprehensive income / (loss) for the year | | 236,220 | 8,573,423 |
| Earnings per equity share | | | |
| Basic and Diluted | 33 | 0.01 | 0.27 |
| Significant Accounting Policies | 2 | | |
| The accompanying Notes form an integral part of the Financial Statements | 3 to 41 | | |

As per our report of even date

For and on behalf of the board of Directors of Scandent Imaging Limited

For M.B.Agrawal & Co.Chartered Accountants
Firm Reg. No.100137W**M.B.Agrawal**Partner
Membership No. '009045

Place : Thane

Date : 29th May, 2019

Gautam Mohan DeshpandeManaging Director
DIN No. 00975368**Anushree Tekriwal**

Company Secretary

Rajnish Kumar PandeyDirector
DIN No. 01096119**Amit Tyagi**

Chief Financial Officer

Place : Thane

Date : 29th May, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

| PARTICULARS | Year ended March 31, 2019 ₹ | Year ended March 31, 2018 ₹ |
|---|-----------------------------------|-----------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit / (Loss) before tax and extraordinary items | 533,945 | 10,806,833 |
| Adjustments for: | | |
| Depreciation and Amortisation Expense | 9,386,326 | 3,921,595 |
| Interest Paid | (5,031,797) | (1,133,635) |
| Operating Profit / (Loss) before working capital changes | 4,888,474 | 13,594,793 |
| Adjustments for: | | |
| (Increase) / Decrease in Current and Non-Current Assets | (31,081,851) | (14,777,100) |
| Increase / (Decrease) in Current and Non-Current Liabilities | 38,652,972 | 33,802,376 |
| Cash generated from / used in operations | 12,459,595 | 32,620,069 |
| Direct Taxes paid (net of refunds received) | (343,083) | (2,233,410) |
| Extraordinary items | - | - |
| Net cash from / (used in) operating activities | [A] 12,116,512 | 30,386,659 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Property, Plant and equipment | (15,059,332) | (54,450,752) |
| Net cash (used in) / from investing activities | [B] (15,059,332) | (54,450,752) |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Proceeds from Borrowings | 190,543 | 1,494,601 |
| Interest Paid | 5,031,797 | 1,133,635 |
| Net cash from financing activities | [C] 5,222,340 | 2,628,235 |
| Net Increase in Cash and Cash Equivalents | [A+B+C] 2,279,520 | (21,435,857) |
| Cash and Cash Equivalents at the beginning of the year | 2,404,076 | 23,839,934 |
| Cash and Cash Equivalents at the end of the year (Refer Note No. 10) | 4,683,597 | 2,404,076 |

Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013.
- Purchase of Property, Plant and Equipment includes movements of Capital Work-in-Progress during the year.

Significant Accounting Policies**2****The accompanying Notes form an integral part of the Financial Statements 3 to 41**

As per our report of even date

For and on behalf of the board of Directors of Scandent Imaging Limited**For M.B.Agrawal & Co.**Chartered Accountants
Firm Reg. No.100137W**Gautam Mohan Deshpande**
Managing Director
DIN No. 00975368**Rajnish Kumar Pandey**
Director
DIN No. 01096119**M.B.Agrawal**Partner
Membership No. '009045**Anushree Tekriwal**
Company Secretary**Amit Tyagi**
Chief Financial Officer

Place : Thane

Date : 29th May, 2019

Place : Thane

Date : 29th May, 2019

Notes to the Financial Statements for the year ended March 31, 2019

1 Corporate information

Scandent Imaging Limited (“the Company”) is a listed entity incorporated in India.

The address of its registered office at PLOT NO. A357 ROAD NO. 26 WAGLE INDUSTRIAL ESTATE, MIDC, THANE WEST – 400604. It is primarily engaged in the business of Healthcare Services.

2 Significant accounting policies

2.1 Basis of preparation

- (i) The financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as prescribed under section 133 of the Companies Act, 2013 (the Act) (as amended) and other relevant provisions of the Act.
- (ii) The Financial Statements have been prepared on the historical cost basis except for the followings:
 - certain financial assets and liabilities are measured at fair value;
 - assets held for sale measured at fair value less cost to sell;
 - defined benefit plans plan assets measured at fair value.

Summary of significant accounting policies

2.2 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realized within twelve months after the reporting year other than for (i) above, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting year other than for (i) above, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

All other liabilities are classified as non-current.

2.3 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- **Level 1 — Quoted (unadjusted)**

This hierarchy includes financial instruments measured using quoted prices.

- **Level 2**

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include the following:

Notes to the Financial Statements for the year ended March 31, 2019

- a) Quoted prices for similar assets or liabilities in active markets.
- b) Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c) Inputs other than quoted prices that are observable for the asset or liability.
- d) Market – corroborated inputs.

- **Level 3**

They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.4 Non-current assets held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2.5 Property Plant and Equipment

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of recoverable taxes) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Significant Parts of an item of PPE (including major inspections) having different useful lives and material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided for on straight line method on the basis of useful life.

The useful life of property, plant and equipment are as follows:-

| Asset Class | Useful Life in years |
|-------------------------------|----------------------|
| Vehicles | 8 |
| Plant & Machinery | 13 |
| Plant & Machinery (General) | 15 |
| Plant & Machinery (Equipment) | 7 |
| Office Equipments | 5 |
| Computers & Printers | 3 |
| Air Conditioners | 5 |
| Furniture & Fixtures | 10 |

On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on Straight Line Method over the period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

2.6 Intangible Assets

Intangible assets are stated at cost (net of recoverable taxes) less accumulated amortization and impairment loss. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including

Notes to the Financial Statements for the year ended March 31, 2019

the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Depreciation on subsequent expenditure on intangible assets arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, 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.

Financial instruments

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

2.7 Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity:

- **Financial Assets at amortized cost**

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

- **Financial Assets at fair value through other comprehensive income (FVTOCI)**

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

- **Financial Assets and equity instruments at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

- **Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

- **Cash and Cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Investments in subsidiaries, Associates and Joint Ventures

The Company has accounted for its subsidiaries, Associates and Joint Ventures at cost

Notes to the Financial Statements for the year ended March 31, 2019

De-recognition

A financial asset is de-recognized 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 of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL), simplified model approach for measurement and recognition of Impairment loss on Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income / expense in the statement of Profit and Loss.

2.8 Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

- **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

- **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use.

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.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to the Financial Statements for the year ended March 31, 2019

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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

2.9 Revenue recognition

- **Sale of Services**

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

- **Interest income**

Interest income from a financial asset is recognized using effective interest rate method.

2.10 CENVAT / Value Added Tax / Goods and Service Tax

CENVAT / Value Added Tax / Goods and Service Tax benefit is accounted for by reducing the purchase cost of the materials/ fixed assets/services.

2.11 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

2.12 Foreign currency transactions

The functional currency of the Company is Indian Rupees which represents the currency of the economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date.

Any income or expense on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the profit and loss account as income or expense.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on such assets and liabilities carried at fair value are reported as part of fair value gain or loss.

2.13 Employee Benefits

Short term employee benefits:-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to the Financial Statements for the year ended March 31, 2019

Long-Term employee benefits

Compensated expenses which are not expected to occur within twelve months after the end of year in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Post-employment obligations

Defined contribution plans

The Company is not covered under the Employees State Insurance Act and the Provident Fund Act.

Defined benefit plans

Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits". The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Gratuity is recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. These are accounted either as current employee cost or included in cost of assets as permitted.

Leave Encashment

As per the Company's policy, leave earned during the year do not carry forward, they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement during service.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Termination benefits

Termination benefits are recognized as an expense in the year in which they are incurred.

2.14 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

2.16 Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Notes to the Financial Statements for the year ended March 31, 2019

2.18 Income taxes

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting year and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.19 Critical accounting estimates and judgments

The preparation of restated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

1. Useful life of tangible asset Note No. 2.5
2. Useful life of intangible asset Note No. 2.6
3. Impairment of financial assets refer Note No. 2.7
4. Impairment of non – financial assets refer Note No. 2.8
5. Provisions, Contingent Liabilities and Contingent Assets refer Note No. 2.15

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

3. Recent Accounting Pronouncements

Application of new and revised Ind ASs

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 01, 2019:

Ind AS 116 - Leases

Amendments to

Ind AS 12 - Income Taxes

Ind AS 19 – Employees Benefits

Ind AS 23 - Borrowing Cost

Ind AS 28 – Investment in Associates and Joint Ventures

Ind AS 103 – Business Combination and Ind AS 111 Joint Arrangement

Ind AS 109 – Financial Instruments

The Company is evaluating the impact of these pronouncements on the financial statements.

Investments in subsidiaries, Associates and Joint Ventures

The Company has elected to measure investment in subsidiaries, Associates and Joint Ventures at cost.

4. Statement of Changes in Equity for the Year Ended 31st March, 2019

A) Equity Share Capital

| Particulars | Amount (₹) |
|---------------------------------|-------------|
| As at April 1, 2017 | 321,000,000 |
| Changes in equity share capital | - |
| As at March 31, 2018 | 321,000,000 |
| Changes in equity share capital | - |
| As at March 31, 2019 | 321,000,000 |

B) Other Equity

| Particulars | Reserve and Surplus | | Total (₹) |
|---|--------------------------------|-----------------------|---------------|
| | Securities Premium Reserve (₹) | Retained Earnings (₹) | |
| As at April 01, 2017 | 750,000 | (280,815,392) | (280,065,392) |
| Profit for the year | - | 8,573,423 | 8,573,423 |
| Other comprehensive income for the year - Re-measurement of defined benefit plans | - | - | - |
| As at March 31, 2018 | 750,000 | (272,241,969) | (271,491,969) |
| Profit for the year | - | 190,862 | 190,862 |
| Other comprehensive income for the year - Re-measurement of defined benefit plans | - | 45,358 | 45,358 |
| As at March 31, 2019 | 750,000 | (272,005,749) | (271,255,749) |

The Description of the nature and purpose of each reserve within equity is as follows:

a) Securities Premium Reserve:

Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc

b) Retained earnings:

Retained earnings are the profits/losses that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It also includes actuarial gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

| | |
|---|---------|
| Significant Accounting Policies | 2 |
| The accompanying Notes form an integral part of the Consolidated Financial Statements | 3 to 41 |

As per our report of even date

For and on behalf of the board of Directors of Scandent Imaging Limited

For M.B.Agrawal & Co.

Chartered Accountants
Firm Reg. No.100137W

M.B.Agrawal

Partner
Membership No. '009045

Place : Thane

Date : 29th May, 2019

Gautam Mohan Deshpande

Managing Director
DIN No. 00975368

Anushree Tekriwal

Company Secretary

Rajnish Kumar Pandey

Director
DIN No. 01096119

Amit Tyagi

Chief Financial Officer

Place : Thane

Date : 29th May, 2019

Notes to the Financial Statements for the year ended March 31, 2019

5 Property, Plant and equipment

| Particulars | Leasehold Improvements | Plant & Machinery | Furniture & Fixtures | Vehicles | Office Equipment | Computers & Printers | Air Conditioners | OT Complex | Total |
|---|------------------------|-------------------|----------------------|-----------|------------------|----------------------|------------------|------------|-------------|
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| Gross carrying value as at April 01, 2018 | 6,684,520 | 69,513,513 | 1,263,156 | 4,254,049 | 610,654 | 504,079 | 73,544 | - | 82,903,515 |
| Additions | 9,756,450 | 5,835,576 | 2,875,133 | 1,258,000 | 589,410 | 384,499 | - | 2,369,939 | 23,069,007 |
| Deletions | - | - | - | - | - | - | - | - | - |
| Gross carrying value as at March 31, 2019 | 16,440,970 | 75,349,089 | 4,138,289 | 5,512,049 | 1,200,064 | 888,578 | 73,544 | 2,369,939 | 105,972,522 |
| Accumulated depreciation as at April 01, 2018 | 334,226 | 8,911,494 | 256,251 | 698,420 | 33,911 | 266,857 | 32,555 | - | 10,533,714 |
| Depreciation for the year | 1,499,512 | 6,681,126 | 299,005 | 488,626 | 168,549 | 167,262 | 11,888 | 70,358 | 9,386,326 |
| Accumulated depreciation on deletion | - | - | - | - | - | - | - | - | - |
| Accumulated depreciation as at March 31, 2019 | 1,833,738 | 15,592,620 | 555,256 | 1,187,046 | 202,460 | 434,119 | 44,443 | 70,358 | 19,920,040 |
| Carrying Value as at March 31, 2018 | 6,350,294 | 60,602,019 | 1,006,905 | 3,555,629 | 576,743 | 237,222 | 40,989 | - | 72,369,801 |
| Carrying Value as at March 31, 2019 | 14,607,232 | 59,756,469 | 3,583,033 | 4,325,003 | 997,604 | 454,459 | 29,101 | 2,299,581 | 86,052,482 |

Notes to financial statements for the year ended March 31, 2018

| Particulars | Leasehold Improvements | Plant & Machinery | Furniture & Fixtures | Vehicles | Office Equipment | Computers & Printers | Air Conditioners | Total |
|---|------------------------|-------------------|----------------------|-----------|------------------|----------------------|------------------|------------|
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| Gross carrying value as at March 31, 2017 | - | 29,150,001 | 332,195 | 1,292,663 | 34,500 | 112,740 | 73,544 | 30,995,643 |
| Additions | 6,684,520 | 40,363,512 | 930,961 | 3,903,426 | 576,154 | 391,339 | - | 52,849,912 |
| Deletions | - | - | - | 942,040 | - | - | - | 942,040 |
| Gross carrying value as at March 31, 2018 | 6,684,520 | 69,513,513 | 1,263,156 | 4,254,049 | 610,654 | 504,079 | 73,544 | 82,903,515 |
| Accumulated depreciation as at March 31, 2017 | - | 6,207,900 | 37,916 | 313,021 | 1,981 | 30,634 | 20,667 | 6,612,119 |
| Depreciation for the year | 334,226 | 2,703,594 | 218,335 | 385,399 | 31,930 | 236,223 | 11,888 | 3,921,595 |
| Accumulated depreciation on deletion | - | - | - | - | - | - | - | - |
| Accumulated depreciation as at March 31, 2018 | 334,226 | 8,911,494 | 256,251 | 698,420 | 33,911 | 266,857 | 32,555 | 10,533,714 |
| Carrying Value as at March 31, 2017 | - | 22,942,101 | 294,279 | 979,642 | 32,519 | 82,106 | 52,877 | 24,383,524 |
| Carrying Value as at March 31, 2018 | 6,350,294 | 60,602,019 | 1,006,905 | 3,555,629 | 576,743 | 237,222 | 40,989 | 72,369,801 |

6 NON CURRENT FINANCIAL ASSETS INVESTMENTS

| | Face Value | As at March 31, 2019 (Numbers) | As at March 31, 2018 (Numbers) |
|--|------------|--------------------------------|--------------------------------|
| | ₹ | ₹ | ₹ |
| UNQUOTED | | | |
| In Equity Instruments (Fully Paid-up) | - | - | - |
| Total Non Current Investments | - | - | - |
| Aggregate Amount of Unquoted Investments | - | - | - |
| Aggregate amount of impairment in value of investments | - | - | - |

Notes to the Financial Statements for the year ended March 31, 2019

| PARTICULARS | As at March 31, 2019 ₹ | As at March 31, 2018 ₹ |
|---|------------------------------|------------------------------|
| 7 FINANCIAL ASSETS - LOANS | | |
| Deposits | - | - |
| Advance Income tax (net of provision) | - | - |
| Total | - | - |
| 8 OTHER NON - CURRENT ASSETS | | |
| Capital Advances | 4,670,000 | - |
| Deposits | 13,556,540 | 13,429,290 |
| Total | 18,226,540 | 13,429,290 |
| 9 INVENTORIES | | |
| Medicines | 1,865,858 | 679,935 |
| Total | 1,865,858 | 679,935 |
| 10 TRADE RECEIVABLE (Unsecured) | | |
| Considered Good | 25,079,977 | - |
| Credit Impaired | - | - |
| | 25,079,977 | - |
| Less : Provision for doubtful debts | - | - |
| | 25,079,977 | - |
| Others - Considered Good | - | - |
| Total | 25,079,977 | - |
| 11 CASH AND CASH EQUIVALANTS | | |
| Balances with Banks | | |
| In Current Accounts | 1,449,517 | 1,470,182 |
| Cash on hand | 3,234,080 | 933,894 |
| Total | 4,683,597 | 2,404,076 |
| 12 FINANCIAL ASSETS - LOANS (Unsecured, considered good) | | |
| Loans to related parties | - | - |
| Total | - | - |
| 13 OTHER FINANCIAL ASSETS | | |
| Others | - | - |
| Total | - | - |
| 14 OTHER CURRENT ASSETS | | |
| FD Interest Receivable | 31,337 | 8,877 |
| Prepaid Expenses | 323,547 | 377,068 |
| TDS Receivable | 370,321 | 184,684 |
| Others | 745,435 | 835,952 |
| Total | 1,470,640 | 1,406,581 |

Notes to the Financial Statements for the year ended March 31, 2019

| PARTICULARS | As at | As at |
|--|--------------------|--------------------|
| | March 31, 2019 | March 31, 2018 |
| | ₹ | ₹ |
| 15 EQUITY SHARE CAPITAL | | |
| Authorised | | |
| 33,500,000 (Previous year 33,500,000) Equity Shares of ₹ 10/- each | 335,000,000 | 335,000,000 |
| Total | 335,000,000 | 335,000,000 |
| Issued, Subscribed and Paid-up | | |
| Equity Shares | | |
| 32,100,000 (Previous year 32,100,000) Equity Shares of ₹ 10/- each fully paid up | 321,000,000 | 321,000,000 |
| Total | 321,000,000 | 321,000,000 |

| 15.1 Reconciliation of Shares | As at March 31, 2019 | | As at March 31, 2018 | |
|---|----------------------|--------------------|----------------------|--------------------|
| | Numbers | ₹ | Numbers | ₹ |
| At the beginning of the year | 32,100,000 | 321,000,000 | 32,100,000 | 321,000,000 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 32,100,000 | 321,000,000 | 32,100,000 | 321,000,000 |

| 15.2 Details of Shareholders holding more than 5% shares in the Company | As at March 31, 2019 | | As at March 31, 2018 | |
|---|----------------------|--------|----------------------|--------|
| | Numbers | % | Numbers | % |
| a. Gautam Deshpande | 16,447,400 | 51.24% | 16,447,400 | 51.24% |
| b. Shree Balaji Enterprises through Partner Nanda D. Bangar | 6,864,296 | 21.38% | 6,864,296 | 21.38% |
| c. Sareen Enterprises through Partner Tarapada B. Panda | 3,882,700 | 12.10% | 3,882,700 | 12.10% |

15.3 Rights, Preferences and Restrictions attaching to each class of shares**Equity Shares having a face value of ₹ 10****a As to Dividend: -**

The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The Company has not declared any dividend during the year.

b As to Repayment of capital: -

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion of the number of shares held by the shareholders.

c As to Voting: -

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10. Each holder of the equity share is entitled to one vote per share.

| PARTICULARS | As at | As at |
|---|----------------------|----------------------|
| | March 31, 2019 | March 31, 2018 |
| | ₹ | ₹ |
| 16 OTHER EQUITY | | |
| Securities Premium Reserve (A) | 750,000 | 750,000 |
| Deficit in the Statement of Profit and Loss | | |
| As per last Balance Sheet | (272,244,749) | (280,815,392) |
| Add: - Profit for the year | 190,862 | 8,573,423 |
| Add: - Other Comprehensive Income for the year - Remeasurement of Defined benefit plans | 45,358 | - |
| Balance at the end of the year (B) | (272,003,867) | (272,244,749) |
| Total (A) + (B) | (271,253,867) | (271,494,749) |

Notes to the Financial Statements for the year ended March 31, 2019

| PARTICULARS | As at March 31, 2019 ₹ | As at March 31, 2018 ₹ |
|--|------------------------------|------------------------------|
| 17 FINANCIAL LIABILITIES - BORROWINGS | | |
| Secured | - | |
| Term Loans | | |
| From Others - Vehicle Loan | 2,669,250 | 2,478,707 |
| Secured by way of hypothecation of Vehicle | | |
| Term of Repayment and Maturity | | |
| Initial Term: 7 years and Rate of Interest: 11% p.a. | | |
| 31.03.2020 - 361621 | | |
| 31.03.2021 - 403468 | | |
| 31.03.2022 - 450157 | | |
| 31.03.2023 - 502248 | | |
| 31.03.2024 - 560368 | | |
| 05.07.2024 - 200846 | | |
| Total | 2,669,250 | 2,478,707 |
| 18 NON - CURRENT PROVISIONS | | |
| Provision for Gratuity | 309,567 | 490,329 |
| Provision for Income Tax | 103,000 | - |
| Total | 412,567 | 490,329 |
| 19 FINANCIAL LIABILITIES - BORROWINGS | | |
| A. Secured | | |
| Term Loans - from Banks | - | - |
| - from Others (Hypothecation of Vehicle) | | |
| (A) | - | - |
| B. Unsecured | | |
| Loans from related parties | - | - |
| (B) | - | - |
| Total - (A) + (B) | - | - |
| 20 TRADE PAYABLES | | |
| Trade Payables | 23,047,625 | 1,124,249 |
| Total | 23,047,625 | 1,124,249 |
| 21 OTHER FINANCIAL LIABILITIES | | |
| Current Maturity of Long Term Debts | 548,721 | 324,115 |
| Term of Repayment and Maturity | | |
| Initial Term: 7 years and Rate of Interest: 11% p.a. | | |
| 31.03.2020 - 361621 | | |
| 31.03.2021 - 403468 | | |
| 31.03.2022 - 450157 | | |
| 31.03.2023 - 502248 | | |
| 31.03.2024 - 560368 | | |
| 05.07.2024 - 200846 | | |
| Other payable | 3,060,066 | - |
| TDS Payable | 925,890 | - |
| Total | 4,534,677 | 324,115 |

Notes to the Financial Statements for the year ended March 31, 2019

| PARTICULARS | As at | As at |
|-------------------------------------|--------------------|-------------------|
| | March 31, 2019 | March 31, 2018 |
| | ₹ | ₹ |
| 22 OTHER CURRENT LIABILITIES | | |
| Statutory Dues | 4,259,079 | 679,886 |
| Creditors for Expenses | 441,417 | 22,251,236 |
| Others | 52,816,328 | 19,893,440 |
| Total | 57,516,824 | 42,824,563 |
| 23 CURRENT PROVISIONS | | |
| Provision for Gratuity | 6,543 | 1,753 |
| Provision for Income Tax | - | 2,104,917 |
| Total | 6,543 | 2,106,670 |
| PARTICULARS | Year ended | Year ended |
| | March 31, 2019 | March 31, 2018 |
| | ₹ | ₹ |
| 24 REVENUE FROM OPERATIONS | | |
| Sale of Services | | |
| Healthcare Services | 141,892,518 | 51,883,504 |
| Total | 141,892,518 | 51,883,504 |
| 25 OTHER INCOME | | |
| Interest on Fixed Deposit | 35,890 | 1,100,800 |
| Profit On sale of Fixed Assets | - | 2,960 |
| Rental Income | 100,000 | 26,800 |
| Discount on Purchases | - | 19,305 |
| Miscellaneous Income | 294,855 | 1,280,706 |
| Total | 430,745 | 2,430,571 |
| 26 EMPLOYEE BENEFITS EXPENSE | | |
| Salary, Wages and Other Benefits | 33,576,069 | 11,532,573 |
| Contribution to Provident Fund | 341,951 | 159,985 |
| Staff Welfare Expenses | 587,186 | 102,143 |
| Total | 34,505,206 | 11,794,701 |
| 27 FINANCE COSTS | | |
| Interest Expenses | 5,031,797 | 1,133,635 |
| Total | 5,031,797 | 1,133,635 |
| 28 OTHER EXPENSES | | |
| Audit Fees | 177,000 | 120,250 |
| Advertisement Expenses | 269,525 | 253,981 |
| Bank Charges | 87,470 | 33,329 |
| Brokerage Expenses | 39,000 | 73,175 |
| Business Promotion | 1,014,900 | 436,610 |
| Computer Expenses | 580,034 | 302,849 |
| Conveyance Expenses | 1,219,457 | 1,529,622 |
| Communication Expenses | 362,761 | 174,918 |
| Directors Sitting Fees | 150,000 | 165,000 |
| Hospital Expenses | 3,999,604 | 679,143 |

Notes to the Financial Statements for the year ended March 31, 2019

| PARTICULARS | Year ended | Year ended |
|-------------------------------|-------------------|-------------------|
| | March 31, 2019 | March 31, 2018 |
| | ₹ | ₹ |
| Diagnostic Expenses | 1,085,614 | 52,550 |
| Hospital Consumable | 3,352,680 | 110,230 |
| Medical Oxygen Expenses | 848,732 | 53,082 |
| Pathology Charges | 2,746,309 | 594,364 |
| Housekeeping Expenses | 1,836,076 | 718,546 |
| Internal Audit Fees | 70,800 | 35,400 |
| Inauguration Expenses | - | 271,400 |
| Insurance Charges | 176,122 | 161,923 |
| Membership & Subscription | 628,636 | 501,530 |
| Printing and Stationery | 1,919,305 | 1,228,809 |
| Service Tax on Input Services | 27,000 | 39,150 |
| Late fees of GST | 31,750 | 1,020 |
| Repairs to Building | 896,890 | 190,555 |
| Repairs to Machine | 624,022 | 475,522 |
| Repairs to Others | 826,717 | 521,236 |
| ROC Expenses | 7,300 | 10,600 |
| Rent on Plant & Machinery | 804,000 | 706,283 |
| Office Rent | 16,505,751 | 7,258,030 |
| Office Expenses | 7,035,727 | 529,306 |
| Power & Fuel | 4,959,939 | 1,067,139 |
| Postage & Stamp Paper | 342,214 | 389,485 |
| Professional Fees | 28,445,609 | 5,989,745 |
| Contractors fees | 264,200 | - |
| Travelling Expenses | 47,367 | 51,612 |
| Security Charges | 1,457,761 | 287,737 |
| Sponsorship Charges | - | 200,000 |
| Water Charges | 750,050 | 22,591 |
| Miscellaneous Expenses | 2,696,070 | 296,340 |
| Total | 86,286,391 | 25,533,062 |

29. Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

The following table sets out the status of the gratuity plan and the amount recognized in the financial statements as at March 31, 2019.

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| | (in ₹) | (in ₹) |
| Change in present value of obligations | | |
| Obligations at beginning of the year | 492,082 | 169,142 |
| Interest cost | 11,072 | 11,451 |
| Service cost | 202,771 | 96,760 |
| Past Service Cost | (344,457) | - |
| Benefits paid | - | - |
| Actuarial (gains) / losses on obligations due to change in financial assumptions | 8,062 | (23,375) |
| Actuarial (gains) / losses on obligations due to experience | (53,420) | 238,104 |
| Obligations at the end of the year | 316,110 | 492,082 |
| Expenses recognized in the Statement of P&L A/c. | | |
| Current Service cost | 202,771 | 96,760 |
| Net Interest cost | 11,072 | 11,451 |

Notes to the Financial Statements for the year ended March 31, 2019

| Particulars | As at March 31, 2019 (in ₹) | As at March 31, 2018 (in ₹) |
|--|---|-----------------------------------|
| Actuarial (Gain) / Losses | (45,358) | 214,729 |
| Past service cost (non vested benefits) | - | - |
| Past service cost (vested benefits) | - | - |
| Net gratuity cost | 168,485 | 322,940 |
| Amount recognized in the Balance Sheet | | |
| Present Value Obligation at the end of the period | 316,110 | 492,082 |
| Fair Value of Plan Assets at the end of the period | Nil | Nil |
| Funded Status – (Surplus / (Deficit)) | 316,110 | 492,082 |
| Unrecognized Past Service Cost at the end of the period | Nil | Nil |
| Net (Liability) / Asset recognized in the Balance Sheet | 316,110 | 492,082 |
| Assumptions | | |
| Mortality Table | Indian Assured lives Mortality (2006 – 08) | |
| Discount rate | 7.50% | 6.77% |
| Rate of escalation in salary | 5% | 5% |
| Attrition rate | 2% | 2% |

30. Disclosures pursuant to Indian Accounting Standard 108 “Operating Segments”

The Company operates in a single business segment viz. Healthcare Services; accordingly there is no reportable business or geographical segments as prescribed Under Indian Accounting Standard 108 “Operating Segments”.

31. Disclosure of related parties/related party transactions pursuant to Indian Accounting Standard 24 “Related Party Disclosures”**I List of Related Parties**

| | |
|---|--|
| List of Related Parties where control exists - Shareholders in the Company | Mr. Gautam Deshpande Mrs. Sowmya Deshpande |
| Key Management Personnel | Mr. Gautam Deshpande (Managing Director) |
| | Mrs. Sowmya Deshpande (Whole Time Director) |
| | Mr. Amit Tyagi (CFO) |
| | Mrs. Dipti Modi (Company Secretary) (up to September 17, 2018) |
| | Mrs. Anushree Tekriwal (Company Secretary) (w.e.f February 13, 2019) |
| Companies in which Relative of Key Management Personnel having significant influence | Onelife Capital Advisors Limited Dealmoney Securities Private Limited |

II Transactions and amount outstanding with related parties

₹

| Sr. No. | Particulars | Subsidiaries | Key Management Personnel | Relative of Key Management Personnel | Companies in which Relative of Key Management Personnel Having Significant influence |
|-----------|---|--------------------------------------|--------------------------|--------------------------------------|--|
| I | Interest Paid | Onelife Capital Advisors Limited | Nil | Nil | 4,055,224 |
| | | | (Nil) | (Nil) | (615,573) |
| II | Revenue recognized – Healthcare Services | Dealmoney Securities Private Limited | Nil | Nil | 45,000,000 |
| | | | (Nil) | (Nil) | (14,490,000) |

Notes to the Financial Statements for the year ended March 31, 2019

| Sr. No. | Particulars | Subsidiaries | Key Management Personnel | Relative of Key Management Personnel | Companies in which Relative of Key Management Personnel Having Significant influence | |
|--------------------|---|------------------|--------------------------|--------------------------------------|--|-----|
| III | Loan Taken | | | | | |
| | Gautam Deshpande | Nil | 2,743,295 | Nil | Nil | |
| | | (Nil) | (947,233) | (Nil) | (Nil) | |
| | Onelife Capital Advisors Limited | Nil | Nil | Nil | 45,400,000 | |
| | | (Nil) | (Nil) | (Nil) | (22,700,000) | |
| IV | Loan Repaid | | | | | |
| | Gautam Deshpande | Nil | 4,160,470 | Nil | Nil | |
| | | (Nil) | (6,305,000) | (Nil) | (Nil) | |
| | Onelife Capital Advisors Limited | Nil | Nil | Nil | 15,150,000 | |
| | | (Nil) | (Nil) | (Nil) | (10,400,000) | |
| V | Remuneration/Professional fees to Key Management Personnel | | | | | |
| | Gautam Deshpande | Nil | 1,800,000 | Nil | Nil | |
| | | (Nil) | (1,200,000) | (Nil) | (Nil) | |
| | Sowmya Deshpande | Nil | 2,800,000 | Nil | Nil | |
| | | (Nil) | (1,200,000) | (Nil) | (Nil) | |
| | Amit Tyagi | Nil | 540,000 | Nil | Nil | |
| | | (Nil) | (455,000) | (Nil) | (Nil) | |
| | Dipti Modi | Nil | 270,000 | Nil | Nil | |
| | | (Nil) | (502,476) | (Nil) | (Nil) | |
| | Anushree Tekriwal | Nil | 136,203 | Nil | Nil | |
| | | (Nil) | (NIL) | (Nil) | (Nil) | |
| | Outstanding as at March 31, 2019 | | | | | |
| | I | Gautam Deshpande | Nil | 2,041,371 | Nil | Nil |
| (Loan Outstanding) | | (Nil) | (3,458,546) | (Nil) | (Nil) | |
| II | Onelife Capital Advisors Limited | Nil | Nil | Nil | 4,720,797 | |
| | (Loan Outstanding) | (Nil) | (Nil) | (Nil) | (12,915,573) | |

Figures in the bracket indicate previous year's figures.

32. Disclosures pursuant to Indian Accounting Standard 17 "Leases"

a Operating Lease (Expenditure)

As at the year end, the Company has following non-cancellable lease arrangement in respect of leased premises: -

| Particulars | March 31, 2019 | March 31, 2018 |
|---|----------------|----------------|
| Lease rentals debited to Statement of Profit and Loss | Nil | Nil |

b the total of future minimum lease payments under non-cancellable operating leases for each of the following periods

| Particulars | March 31, 2019 | March 31, 2018 |
|---|----------------|----------------|
| Not later than one year | Nil | Nil |
| Later than one year and not later than five years | Nil | Nil |
| Later than five years | Nil | Nil |

33. Basic and diluted earnings per share [EPS] computed in accordance with Indian Accounting Standard 33 "Earnings per Share"

| Particulars | March 31, 2019 | March 31, 2018 |
|---|----------------|----------------|
| Net Profit / (Loss) after tax as per Statement of Profit and Loss | 236,220 | 8,573,423 |
| Number of Equity Shares outstanding | 32,100,000 | 32,100,000 |
| Weighted Average Number of Equity Shares | 32,100,000 | 32,100,000 |
| Nominal value of equity shares ₹ | 10 | 10 |
| Basic and Diluted Earnings per share ₹ | 0.01 | 0.27 |

Notes to the Financial Statements for the year ended March 31, 2019

34. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act)

There are no Micro, Small and Medium Enterprise to whom the Company owes dues which were outstanding as the balance sheet date. The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the Auditors.

35. Remuneration to auditors

₹

| Particulars | March 31, 2019 | March 31, 2018 |
|-----------------|----------------|----------------|
| Statutory Audit | 177,000 | 120,250 |
| Total | 177,000 | 120,250 |

36. Details of Loans given, covered u/s 186 (4) of the Companies Act, 2013 and disclosure pursuant to clause 34 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015

There was no such transaction during the year.

37. In view of losses and unabsorbed depreciation, in the opinion of the Management considering the grounds of prudence, deferred tax assets is recognized to the extent of deferred tax liabilities and balance deferred tax assets have not been recognized in the books of account.

(₹ in Lakhs)

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------|----------------------|
| Deferred tax liability (A) | NIL | NIL |
| Deferred tax asset | | |
| Relating to Depreciation on Fixed Assets | (19.90) | (7.31) |
| Provision for gratuity and other disallowance | 0.46 | (0.66) |
| Unabsorbed depreciation allowance and carried forward business loss | Nil | Nil |
| (B) | (19.44) | (7.99) |
| Deferred tax assets (Net) – (B) – (A) | (19.44) | (7.99) |
| Deferred Tax Assets Recognized in Financial Statements | Nil | Nil |

38. Financial Instruments

38.1 Financial Assets and Liabilities

₹

| Particulars | March 31, 2019 | | | March 31, 2018 | | |
|------------------------------------|----------------|----------|-------------------|----------------|----------|------------------|
| | FVTPL | FVTOCI | Amortized Cost | FVTPL | FVTOCI | Amortized Cost |
| 1) Financial Assets | | | | | | |
| I) Trade receivable | - | - | 25,079,977 | - | - | - |
| II) Cash and Cash Equivalents | - | - | 4,683,597 | - | - | 2,404,076 |
| III) Other financial assets | - | - | - | - | - | - |
| Total financial assets | - | - | 29,763,574 | - | - | 2,404,076 |
| 2) Financial liabilities | | | | | | |
| I) Borrowings | - | - | 2,669,250 | - | - | 2,478,707 |
| II) Trade Payables | - | - | 23,047,625 | - | - | 1,124,249 |
| III) Other Financial Liabilities | - | - | 4,534,677 | - | - | 3,24,115 |
| Total Financial liabilities | - | - | 30,251,552 | - | - | 3,927,071 |

Notes to the Financial Statements for the year ended March 31, 2019

38.2 Fair Value measurement

Fair Value Hierarchy and valuation technique used to determine fair value:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1, Level 2 and Level 3 inputs.

Year Ending March 31, 2019

| | ₹ | | |
|---|----------------|-------------------|----------------|
| Assets and liabilities which are measured at Amortized Cost for which fair value are disclosed at 31-03-2019 | Level 1 | Level 2 | Level 3 |
| <u>Financial Assets</u> | | | |
| Investments | - | - | - |
| Loans | - | - | - |
| Total Financial Assets | - | - | - |
| Borrowings | - | 2,669,250 | - |
| Trade Payables | - | 23,047,625 | - |
| Other Financial Liabilities | - | 4,534,677 | - |
| Total Financial Liabilities | - | 30,251,552 | - |

Year Ending March 31, 2018

| Assets and liabilities which are measured at Amortized Cost for which fair value are disclosed at 31-03-2018 | Level 1 | Level 2 | Level 3 |
|---|----------------|-----------------|----------------|
| <u>Financial Assets</u> | | | |
| Investments | - | - | - |
| Loans | - | - | - |
| Total Financial Assets | - | - | - |
| Borrowings | - | 2,478,707 | - |
| Trade Payables | - | 1,124,249 | - |
| Other Financial Liabilities | - | 324,115 | - |
| Total Financial Liabilities | - | 392,7071 | - |

38.3 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The top management is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

38.3.1 Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

Notes to the Financial Statements for the year ended March 31, 2019

| | | | | | ₹ |
|-----------------------------|----------|-----------------|---------------------|---------------------|------------|
| Particulars | Note No. | Carrying amount | Less than 12 months | More than 12 months | Total |
| As at March 31, 2019 | | | | | |
| Borrowings | 17 | 2,669,250 | - | 2,669,250 | 2,669,250 |
| Other current liabilities | 20 & 21 | 27,582,302 | 27,582,302 | - | 27,582,302 |
| As at March 31, 2018 | | | | | |
| Borrowings | 17 | 2,478,707 | - | 2,478,707 | 2,478,707 |
| Other current liabilities | 20 & 21 | 1,448,364 | 1,448,364 | - | 1,448,364 |

38.3.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

| Potential impact of risk | Management Policy | Sensitivity to risk |
|--|---|---|
| 1. Price Risk | | |
| The company is not exposed to any specific price risk. | Not Applicable | Not Applicable |
| 2. Interest Rate Risk | | |
| Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. | In order to manage it interest rate risk The Company diversifies its portfolio in accordance with the limits set by the risk management policies. | As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 0.25% change in interest rates. A 0.25% decrease in interest rates would have led to approximately an additional ₹ 1.32 lakhs gain for year ended March 31, 2019 (₹ Nil gain for year ended March 31 2018) in Interest expenses. A 0.25% increase in interest rates would have led to an equal but opposite effect. |

38.3.3 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from the deposits with banks and financial institutions and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. at March 31, 2019.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

39. Capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

Notes to the Financial Statements for the year ended March 31, 2019

| Particulars | ₹ | |
|--|-------------------|-------------------|
| | March 31, 2019 | March 31, 2018 |
| Borrowings (Note No.: 17) | 2,669,250 | 2,478,707 |
| Other current liabilities (Note No: 20 & 21) | 27,582,302 | 1,448,364 |
| Less: Cash and Cash equivalents (Note No.: 11) | (4,683,597) | (2,404,076) |
| Net Debt (A) | 25,567,995 | 1,522,995 |
| Total Equity | 49,746,133 | 49,505,251 |
| Total Capital (B) | 49,746,133 | 49,505,251 |
| Capital and Net Debt C = (A) + (B) | 75,314,128 | 51,028,246 |
| Gearing Ratio (A) / (C) | 33.95% | 2.98% |

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

40. Tax Reconciliation

| Particulars | ₹ In Lakhs | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Net profit as per Statement of Profit and Loss Account (before tax) | 5.34 | 108.06 |
| Corporate Tax Rate as per Income tax Act, 1961 | 26% | 25% |
| Tax on Accounting Profit | 1.39 | 22.03 |
| Tax difference on account of: | | |
| Depreciation allowed as per Income tax Act, 1961 | (6.49) | - |
| Ind AS Impact - Re-measurement of defined benefit obligation | - | - |
| Expenses not allowable under the Income tax Act, 1961 | - | - |
| Impact of Carry forward of losses and unabsorbed depreciation to the extent of available income | - | - |
| Deferred tax assets not recognized considering the grounds of prudence | 5.10 | - |
| Total effect of tax adjustments | (1.39) | |
| Tax expense recognized during the year | - | 22.03 |

41. The Company has regrouped / reclassified the previous year figures to conform to the current year's reclassification / presentation.

As per our report of even date

For and on behalf of the board of Directors of Scandent Imaging Limited

For M.B.Agrawal & Co.Chartered Accountants
Firm Reg. No.100137W**Gautam Mohan Deshpande**
Managing Director
DIN No. 00975368**Rajnish Kumar Pandey**
Director
DIN No. 01096119**M.B.Agrawal**Partner
Membership No. '009045**Anushree Tekriwal**
Company Secretary**Amit Tyagi**
Chief Financial Officer

Place : Thane

Date : 29th May, 2019

Place : Thane

Date : 29th May, 2019

SCANDENT IMAGING LIMITED

CIN: L93000MH1994PLC080842

Regi.off: Plot No. A-357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West) - 400604,
Maharashtra Tel: +022-23516221 Web site: www.scandent.in email id: csscandent@gmail.com

ATTENDENCE SLIP FOR ANNUAL GENERAL MEETING

I/ We hereby record my/ our presence at the 25th Annual General Meeting held on 20th September, 2019 at Brahman Seva Sangh, 19, Brahman Society, Late Divakar Ganesh Gangal Road, Naupada, Thane (West) – 400602, Maharashtra at 12.00 noon.

| | |
|-------------------------------------|----------------------------|
| DP ID No.*: | L. F. No.: |
| Client ID No.*: | No. of Shares held: |
| Name of the Shareholder(s) | |
| Address of Shareholder: | |
| If Shareholder(s), Please sign here | If Proxy, Please sign here |
| | |

NOTES:

* Applicable for Investors holding shares in electronic form.

PLEASE FILL THIS ATTENDENCE SLIP AND HAND IT OVER AT ENTERANCE OF THE MEETING HALL.

SCANDENT IMAGING LIMITED

CIN: L93000MH1994PLC080842

Reg .off: Plot No. A 357, Road No. 26, Wagle Industrial Estate, MIDC, Thane (West) - 400604, Maharashtra
Tel: + Tel no.: 022-25833206; Fax: 022- 41842228; Web site: www.scandent.in; email id: cs@scandent.in

Form No.MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the companies Act 2013 and the rule 19(3) of the companies
(Management and administration Rules 2014)

Name of the Member (s) :

Registered Address :

Email id :

Folio No. /D.P.ID and Client ID No. :

I/We being the member(s)of _____ Shares of Scandent Imaging Limited hereby appoint

1. Name : _____ Email id : _____

Address : _____

Signature: _____

Or failing him _____

1. Name : _____ Email id : _____

Address : _____

Signature: _____

Or failing him _____

1. Name : _____ Email id : _____

Address : _____

Signature: _____

Or failing him _____

as my /our proxy to attend and vote (on poll) for me /us and on my/our behalf at the 25th Annual General Meeting of the Company scheduled to be held on 20th September, 2019 at 12.00 noon at, Brahman Seva Sangh, 19, Brahman Society, Late Divakar Ganesh Gangal Road, Naupada, Thane (West) – 400602, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

| Reso. No. | Description | For* | Against* |
|-----------|---|------|----------|
| 1 | Adoption of Financial Statements for the Financial Year ended 31 st March, 2019 and the Reports of the Board of Directors and the Auditors thereon | | |
| 2 | To appoint a Director in place of Dr. Gautam Deshpande (DIN 00975368), who retires by rotation and being eligible offers himself for re- appointment. | | |
| 3 | Re-appointment of Mr. Rajnish Kumar Pandey (DIN: 01096119) as an Independent Director of the Company | | |
| 4 | Re-appointment of Dr. Sowmya Deshpande (DIN: 00705918) as the Whole-time Director of the Company | | |
| 5 | Appointment of Mr. Mohan Shankaranarayan Vaidyanathan (DIN: 06640359) as a Director of the Company | | |

Signed this _____ day of _____ 2019.

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
stamp

Note:

1. Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate
2. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

