Thyrocare®
Think Thyroid. Think Thyrocare.

September 08, 2020

To,

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001

Dear Sirs/Madam,

Sub: Submission of Annual Report for the Financial Year 2019-20.

Pursuant to the Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we are submitting herewith a copy of the Annual Report along with the Notice of the 20th Annual General Meeting, which has already been circulated to all the shareholders through electronic mode.

We request you to kindly take the same on your record.

Yours Faithfully,

For **Thyrocare Technologies Limited,**

Dorai Ramjee

Digitally signed by Dorai Ramjee
Date: 2020.09.08 12:54:03 +05'30'

Thyrocare Technologies Limited

Ramjee Dorai
Company Secretary and Compliance Officer

Thyrocare Technologies Limited
D-37/1, TTC MIDC, Turbhe, Navi Mumbai - 400 703, India 022- 3090 0000 / 4125 2525
enquiry@thyrocare.com www.thyrocare.com
(CIN : L85110MH2000PLC123882)

Thyrocare®

The Trust. The Truth.

FOR A HEALTHY AND PROSPEROUS INDIA

ANNUAL REPORT 2019-20

Contents

Please find the online version of this report at
http://investor.thyrocare.com/annual-report/

FY 2019-20

Financial and Operational Highlights

Revenue
₹ 400 Cr
↑ 8%

EBITDA (normalised)
₹ 168.41 Cr
↑ 9%

PAT (normalised)
₹ 112.08 Cr
↑ 18%

Free Cash Available
₹ 76.33 Cr

Investigations Performed
11.04 Cr
↑ 9%

Samples Processed
1.92 Cr
↑ 3%

Health crises have huge social and economic costs as witnessed in the recent COVID-19 pandemic. In India, however, healthcare has never been considered necessary until it is an emergency. It is estimated that every 10% increase in noncommunicable diseases impacts annual economic growth rate by 0.5%. The rising healthcare costs and out-of-pocket expenditure, along with increasing lifestyle-related diseases are further adding to the woes.

At Thyrocare Technologies Limited (Thyrocare), we are strongly focussed on addressing this challenge by promoting preventive healthcare and making it affordable and accessible to all. We have invested in a robust advanced technology-led laboratory that handles large sample volumes with highest accuracy, while drastically reducing the costs, enabling us to provide tests at lowest prices. We have introduced innovative test packages that enables individuals to undertake a number of health check-ups at discounted prices.

Further, we have established a robust B2B business model whereby we have partnered with smaller laboratories, pharmacies, hospitals and doctors across the country to collect samples. This has allowed us to make available our services across the country, while also ensuring long-term business sustainability by enabling us to continuously grow volumes.

This way, we have made preventive healthcare accessible to all citizens. Our testing infrastructure has also proved to be of great help to the nation in combating the COVID-19 pandemic, being selected as amongst the few laboratories to undertake tests.

Thyrocare: Pioneering Affordable and Accessible Wellness and Preventive Care

Thyrocare is one of the country's leading laboratories promoting the use of preventive diagnostic tests. We operate the country's largest and first fully automated clinical chemistry laboratory supported by 11 regional laboratories to ensure wider reach. With the use of advanced instrumentation, automation systems and IT infrastructure, we have the reputation of delivering one of the fastest and most accurate test results.

We work on a low-cost business model to make wellness and preventive care affordable and accessible to all the citizens for promoting healthy living. We primarily operate on a B2B model by servicing laboratories, hospitals, doctors as well as cater to individual patients' need. Over the years, we have expanded our gamut of offerings to cancer, tuberculosis and prenatal screening testing.

1,333
Employees

796
Cities

44,645
Touchpoints

4,410
B2B partners

20-24 Hours
Average sample processing time

OUR CERTIFICATIONS

ISO 9001:2008

NABL (National Accreditation Board for Testing and Calibration Laboratories)

CAP (College of American Pathologists)

COMPETITIVE STRENGTH

State-of-the-art infrastructure and technology

- Robust IT, automation and testing and analyser infrastructure facilitating high speed and quality control
- Use of virtual network for remote connectivity with supply chain

Pan-India presence

- Services in 796 cities through agents, owned laboratories and franchisees
- Central Processing Laboratory in Navi Mumbai
- Regional Processing Laboratories in New Delhi, Bhopal, Kolkata, Hyderabad, Coimbatore, Bengaluru, Patna, Mumbai, Pune, Bhubaneswar and Chennai

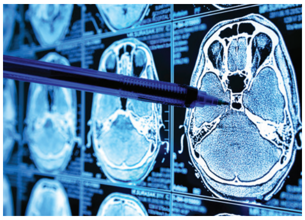
Low cost scalable business model

- Lowest test prices with high volume
- Targets all non-sick people in the price conscious bottom of pyramid
- Biochemistry focussed that is scalable and fast growing

Wide portfolio

- Range of individual clinical tests
- Unique bundled package offering under industry-defining Aarogyam brand

OTHER BUSINESS OFFERINGS



Nueclear Healthcare Limited (100% subsidiary)

- Undertakes cancer-related diagnostic testing
  18F-FDG (FluoroDeoxyGlucose) whole body PETCT Imaging service – at the lowest prices which helps in determining cancer stage and expected efficiency of treatment
- 15 machines across 13 cities
  Navi Mumbai, Delhi, Hyderabad, Surat, Raipur, Vadodara, Mumbai, Jaipur, Aurangabad, Nashik, Bengaluru and Coimbatore

Focus TB

- Provides affordable TB testing services using the highly advanced and inexpensive Polymers Chain Reaction (PCR) technology that expedites results, ensures quality and affordability
- Laboratory equipped with advanced and fully automated RTPCR machines which also aids in diagnosis of HIV, HBV and HCV qualitative and quantitative methodologies
- Certified for TB drug susceptibility testing by the National Mycobacteriology Certification System of Central TB Division, Ministry of Health & Family Welfare, Government of India

COVID-19 Testing

- Perform COVID-19 tests using RT-PCR technology in India as well as in Bahrain and Muscat through affiliates
- 5,000 and 10,000 daily sample processing capacity of Thyrocare and its affiliates respectively

Stepping up in Times of Need

Thyrocare Technologies became the single largest contributing laboratory supporting the nation's fight against COVID-19 pandemic.

PROVIDING NOVEL CORONAVIRUS TESTING

COVID-19 pandemic has spread rapidly across the globe, causing immense social and economic disruption. In India too, its impact has been severe with number of cases rising exponentially. At such times, Thyrocare Technologies has come forward to help the nation in its fight against the pandemic. We were amongst the first few laboratories to be authorised by the Indian Medical Council of Research (ICMR) to perform COVID-19 tests using RT-PCR technology. Our robust infrastructure enables us to process 5,000 samples on daily basis and deliver faster reports with accuracy to enable patients to take necessary action. We have processed over 1,50,000 swabs until July 31, 2020. We are also amongst the most economical laboratories in the country to process swabs.

Besides India, our affiliates in Bahrain and Muscat have also been at the forefront of providing the COVID-19 testing. The combined capacity of these affiliates stands at 10,000 swabs per day to help these nations curb the spread of novel coronavirus.

ENSURING SUPPLY CHAIN SAFETY

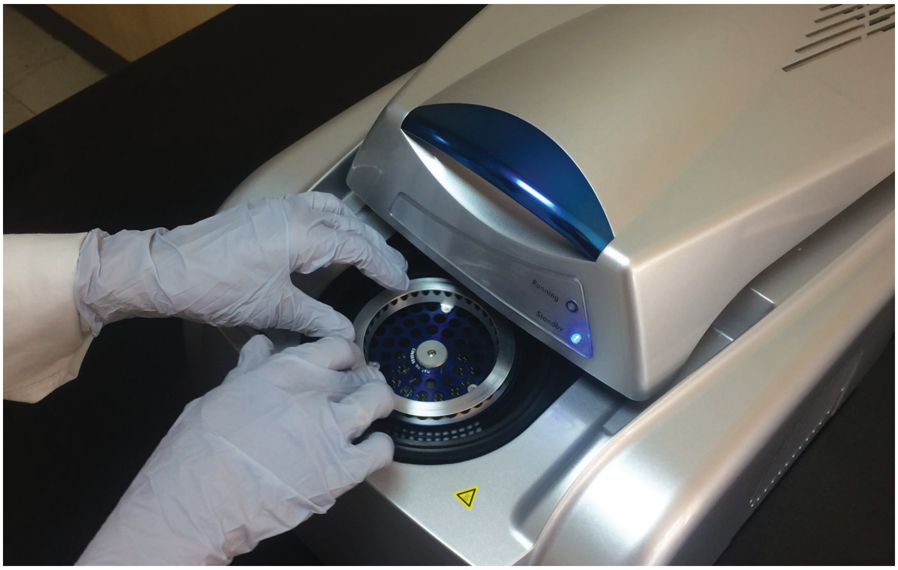
We have equipped our people and swab collection agents with necessary protective kits to ensure their safety. We are also working in coordination with local health departments while practicing all necessary protocols for collection, handling and testing of clinical specimen.

5,000

Daily test processing capacity in India

1.85 Lakhs

Tests processed in India as on August 15, 2020



Thyrocare has been rated amongst the best by Viral Research and Diagnostic Laboratory, Kasturba Hospital for its quality being certified as **'100% concordant'** in interlaboratory comparison and occupies the top 10% laboratories in India in speed of reporting.

THYROCARE SETS A PRECEDENCE
IN MUMBAI'S DHARAVI SLUM

Thyrocare has been selected as a preferred private laboratory by Municipal Corporation of Greater Mumbai (MCGM) for performing COVID-19 tests using RT-PCR technology. While we have performed tests for all major MCGM affiliated hospitals to help them contain the spread of virus, our team has moved with great agility to isolate cases in Dharavi, one of Asia's largest slums. Our response helped contain the outbreak of virus in this densely populated slum and has been acknowledged by MCGM.

Message from the Chairman

Dear Shareholders,

It is my privilege to once again report to you our Company's performance. As I write to you, the world is tackling its biggest crisis in recent times – the COVID-19 pandemic. It has unleashed an unprecedented socioeconomic disruption and forced many of us into lockdown. While the global science community is working tirelessly to develop a vaccine, which will take some time, the world is likely to face a very challenging period. Nonetheless, humanity has seen through many such crises in the past and each time it has come out stronger.

Adversity they say is a great teacher. I have learnt and experienced this across my entire life, career and business. There are some who give up in fear and panic, and yet there are others who learn from them, stay resilient and convert them into opportunity. At Thyrocare, we are confident that we shall not only tide through the challenge, but also emerge a better company.

As I retrospect our positioning in these times, it makes me happy to be a part of the Company that was amongst the first few private laboratories to be authorised by the Indian Medical Council of Research (ICMR) to perform COVID-19 tests using RT-PCR technology. It just shows the kind of reputation we have earned in the industry due to our speed, technology and quality. We see ourselves proactively scaling up capacities to widen our service reach and help the nation fight the pandemic. I take this opportunity to thank our people and all the other frontline warriors who have been at the forefront to help the society.

Performance 2019-20

The financial year 2019-20 has been the most challenging for businesses. It started off with a muted macroeconomy scenario due to liquidity crisis and weak global markets. This resulted in weak consumer sentiment and thus lower discretionary spending. Our business being into wellness and preventive healthcare segment was also impacted because of this. The month of March saw the major outbreak of pandemic in our nation and the eventual lockdown which led to restrictions in the movement of patients and specimen, prompting us to scale down and shut down operations at certain locations. Having said that, our unique business model of operating in the B2B segment along with sustained focus on sticking to the basics and core strengths helped us tide through the situation. Our topline, in spite of challenges, grew 8% to ₹ 400 Crores in 2019-20. Normalised EBITDA grew by 9.16% to ₹ 168.41 Crores and normalised PAT by 18% to ₹ 112.08 Crores.

Our topline, in spite of challenges, grew 8% to ₹ 400 Crores in 2019-20. Normalised EBITDA grew by 9.16% to ₹ 168.41 Crores and normalised PAT by 18% to ₹ 112.08 Crores.

Our role in containing the virus spread in Dharavi, considered to be one of Asia's largest slums, has also been acknowledged by MCGM. As of August 15, 2020 we have processed more than 1,85,000 tests.

Pathology business growth was satisfactory at 8% to ₹ 400 Crores. However, radiology business operated by subsidiary Nueclear Healthcare suffered a setback due to suspension of operations at Surat, Vadodara and Jaipur centres on account of dispute with the partner, and inability to scale business faster in the newly opened Bengaluru and Coimbatore centres. Despite this, Nueclear was able to grow scan volumes and maintain costs. Its revenues grew 4.4% to ₹ 34.09 Crores.

While the regular business was impacted, we have seen a silver lining in performing COVID-19 tests using RT-PCR technology which has opened a new revenue stream. We have been selected as a preferred private laboratory for performing tests for all major hospitals affiliated to Municipal Corporation of Greater Mumbai (MCGM) like Seven Hills Hospital, Bhabha Hospital, Nair Hospital, V N Desai Hospital, Nesco isolation facility, BKC isolation facility, etc. Our role in containing the virus spread in Dharavi, considered to be one of Asia's largest slums, has also been acknowledged by MCGM. As of August 15, 2020, we have processed more than 1,85,000 tests.

We have also been chosen by MCGM for the 'Aapli Chikitsa' project to serve the city and west zone of Mumbai. We are presently sourcing samples from 139 municipal dispensaries, 18 maternity homes, 14 hospitals and 3 urban health centres and have successfully deployed our services to their satisfaction.

Strategy for business growth

While the business and competitive scenario is tough, we have reworked our strategy to thrive and ensure a sustainable future. Our primary focus in the coming years will be to deepen regional penetration by getting closer to actual sample giving clients. Towards this, we have started aggressively approaching sample giving clients – local smaller laboratories, dispensaries, clinics, hospitals and doctors – and onboarding them onto our system. They were also mapped to the nearest service provider through our robust mobile application to ensure business fulfilment. These newer clients will supplement our growth in the coming years.

To support the regional growth strategy, we have expanded regional presence to 11 centres, adding two more regional processing laboratories at Bhubaneswar and Pune during the year. An additional workforce was also hired, especially in the business development function to acquire clients in deeper parts of the country and in the customer support function to manage growing business needs. Further, we are undertaking efforts to build own supply/service chain by inducting technicians on contractual basis to collect samples as well as executives to ensure fast delivery of collected sample to the nearest laboratory.

Expanding offerings to widen addressable target population is another important focus area for us. Our tuberculosis business – Focus TB – is a part of this strategy. We have been able to rapidly scale this business and presently cover the entire Mumbai Metropolitan Region (MMR). We are closely assessing the current situation and intend to replicate the model in the other territories too. Progressing on this strategy, we have introduced newer technologies like microbiology tests, non-invasive prenatal testing and food intolerance profiles in 2019-20. These newer channels are promising areas and will augment our growth in the future. Simultaneously, laboratory automation was upgraded to ensure zero sample handling, accurate sample processing and quicker turnaround time, for AHCV and HIV tests too.

Outlook

The coming year is likely to be challenging as the novel coronavirus is spreading rapidly in India. It will have an impact on business directly or indirectly, despite us being engaged in providing essential medical services. Resumption of full-fledged operations for tests other than COVID-19, will highly depend upon how the situation pans out in our nation and subsequent directive from the Government of India. This, along with disruption in supply chain, reduced workforce availability, decrease in market prices and reduced demand will lead to capacities remaining under-utilised, and in some cases, completely shut down.

Your Company has, however, assessed the impact of COVID-19 and has adopted corrective measures to minimise the damage. Our financial position, with enough liquidity and no major fixed costs, remains strong to handle any kind of shock.

On that note, I would like to thank all our stakeholders for their continued support. We remain committed to work through the current difficult times while being focused on making our business more resilient. We continue to seek your support so that together we can overcome and grow.

Warm regards,
Dr. A. Velumani

Board of Directors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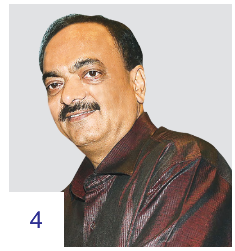
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1. **Dr. A. Velumani**
Chairman, Managing Director & CEO

Dr. A. Velumani is a graduate in science from the University of Madras, and a postgraduate in science and doctorate in philosophy (science) from the University of Bombay. With his rich experience in the diagnostics business, he has successfully spearheaded the Company for over 25 years. He worked in Bhabha Atomic Research Centre (BARC) for over 12 years as a scientific officer specialising in immunodiagnostics, particularly in radioimmunoassay, where he standardised various immuno, analytical and biotechnological techniques. He was awarded the Brig. S. K. Mazumdar Memorial Oration Award in 2001. He is a lifetime member of the Society of Nuclear Medicine, India. He is the Founder-Promoter of the Company and has been the Chairman & Managing Director since incorporation.

2. **A. Sundararaju**
Executive Director &
Chief Financial Officer

Mr. A. Sundararaju is a graduate in law from the University of Bombay. With over 25 years of experience, he has proficiency in finance, legal and administrative functions. He has been overseeing the Company's finance, legal, administrative and franchisee departments since 1996. He is a Promoter-Director and has been an Executive Director since incorporation.

3. **Gopalkrishna Shivaram Hegde**
Independent Director

Mr. G. S. Hegde is a graduate in law from the University of Bombay. He has over 26 years of experience in the legal profession. He has been an Independent Director on our Board since August 21, 2014. On completion of the first term of five years, he has been reappointed as an Independent Director by the Members at the Annual General Meeting held on 24-08-2019, for the second term of five years with effect from 21-08-2019.

4. **Vishwas Kulkarni**
Independent Director

Mr. Vishwas Kulkarni is a graduate in commerce and law from the University of Bombay. He has over 26 years of experience in the legal profession. He has been an Independent Director on our Board since August 21, 2014. On completion of the first term of five years as an Independent Director, he has been reappointed as an Independent Director by the Members at the Annual General Meeting held on 24-08-2019, for the second term of five years with effect from 21-08-2019.

5. **Dr. Neetin S. Desai**
Independent Director

Dr. Neetin Desai is a graduate in science from Rajaram College, Shivaji University, and a post graduate in science and doctorate in philosophy from Shivaji University. He is currently employed with Amity University, Mumbai. He previously worked as a Professor in the Department of Biotechnology and Bioinformatics at D. Y. Patil University, Belapur, Navi Mumbai. He has been an Independent Director on our Board since September 20, 2014. On completion of the first term of five years as an Independent Director, he has been reappointed as an Independent Director by the Members at the Annual General Meeting held on 24-08-2019, for the second term of five years with effect from 20-09-2019.

6. **Amruta Velumani**
Non-Executive Director

Miss. Amruta Velumani holds a master's degree in science from ITM University, Navi Mumbai. She was a non-executive director of the Company from 27-09-2013 to 15-11-2014. She rejoined the Board on February 22, 2016 as a Non-Executive and Non-Independent Director. She has about 12 years of experience in functional area relating to General Administration, Personnel & Human Resources Management and Business Development.

7. **Dr. Indumati Gopinathan**
Independent Woman Director

Dr. Indumati Gopinathan is a postgraduate (M.D.) in Pathology. She is a reputed pathologist and a leading commentator on Tele-pathology. She is a healthcare columnist for The Times of India and Health Care Express, a leading weekly healthcare publication by the Indian Express group. She is a committee Member of Practising Pathologists of India. She has participated in numerous vocational training teams and community service programmes globally through Rotary. She is a Woman Independent Director of the Company.

8. **N. Palanisamy**
Independent Director

Mr. N. Palanisamy holds a diploma in mechanical engineering from the State Board of Technical Education and Training, Madras. He has work experience of 14 years and presently works as a freelance consultant for turnkey projects. He previously worked with SIV Industries Ltd., Sirumugai. He was an Independent Director on our Board since September 20, 2014. On completion of first term of five years as an Independent Director, he expressed his intention not to get reappointed for personal reasons, and hence he ceased to be a Director as at the close of 19-09-2019.

Corporate Information

REGISTERED OFFICE

Thyrocare Technologies Limited
D/37-1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400 703.
Tel: +91 22 2762 2762 | Fax: +91 22 2768 2409
Website: www.thyrocare.com | E-mail: investor_relations@thyrocare.com
Corporate Identity Number: L85110MH2000PLC123882

CORPORATE OFFICE

Thyrocare Technologies Limited
D/37-3, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400 703

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park,
L. B. S. Marg,
Vikhroli West,
Mumbai - 400 083

BANKERS

Axis Bank Limited
IDBI Bank Limited

STATUTORY AUDITORS

B S R & Co. LLP, Chartered Accountants
5th Floor, Lodha Excelus, Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011
Tel.: +91 22 4345 5300 | Fax: +91 22 4345 5399

Board's Report

TO THE MEMBERS

Your Directors have pleasure in presenting their 20th Annual Report, along with the audited Stand-alone and Consolidated financial statements of the Company for the Financial Year ended March 31, 2020.

Financial Results:

The standalone and consolidated financial statements for the financial year ended March 31, 2020, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

The Stand-alone and Consolidated financial results for the financial year 2019-20 are given below:

₹ in crores

	Standalone		Consolidated	
	Current Financial Year 2020	Previous Financial Year 2019	Current Financial Year 2020	Previous Financial Year 2019
Revenue from Operations	400.00	370.28	433.20	402.91
Other Income	10.48	13.66	7.73	9.95
Total	**410.48**	**383.94**	**440.93**	**412.86**
Profit before Depreciation, Finance Costs, Exceptional Items and Tax Expense	177.19	161.80	180.26	164.18
Less: Depreciation / Amortisation	19.54	14.47	31.91	26.17
Profit before Finance Costs, Exceptional items and Tax Expense	157.65	147.33	148.35	138.01
Less: Finance Costs	1.32	0.47	1.85	0.61
Profit before Exceptional items and Tax Expense	156.33	146.86	146.49	137.40
Add/(less): Exceptional items	-44.33	0	-6.58	0
Add: Share of profit in associate entity	-	-	0.51	0.66
Profit before Tax Expense	112.00	146.86	140.42	138.06
Less: Tax Expense (Current & Deferred)	32.68	51.63	52.01	52.92
Profit /loss for the year (1)	79.32	95.23	88.41	85.14
Other Comprehensive Income/loss (2)	0.12	0.10	0.12	0.11
Total Comprehensive Income for the year (1+2)	**79.44**	**95.33**	**88.53**	**85.25**
Appropriation				
Dividend paid on Equity Shares	132.00	26.87	132.00	26.86
Dividend Distribution Tax	27.03	5.53	27.04	5.52
Earnings per share [Nominal value of ₹ 10 each]:				
(a) Basic earnings per share (INR)	15.02	17.84	16.74	15.95
(b) Diluted earnings per share (INR)	14.99	17.80	16.71	15.91

Company's performance:

On a standalone basis, our Revenue from Operations has increased to ₹ 400.00 crores in the current year from ₹ 370.28 crores in previous year, registering an increase of 8.03%. Our Profit before Exceptional Items was ₹ 156.33 crores in the current year as against ₹ 146.86 crores in previous year, registering an increase of 6.45%.

On a consolidated basis, our Revenue from Operations has increased to ₹ 433.20 crores in the current year from ₹ 402.91 crores in previous year, registering an increase of 7.52%. Our Profit before Exceptional Items was ₹ 146.49 crores in the current year as against ₹ 137.40 crores in previous year, registering an increase of 6.62%.

Dividend:

Pursuant to the decision of the Board of Directors on November 07, 2019, your Company has paid an interim dividend of ₹ 5/- per equity share, i.e. 50%, of face value of ₹ 10/- each, to those shareholders who were on the register of members as on November 22,2019, the record date fixed for this purpose.

Your Directors have decided that it would not be prudent to declare any further dividend for the financial year 2019-20 as final dividend considering the unprecedented situation arising out of Covid-19 Pandemic and consequent uncertain economic scenario prevailing now.

Therefore, the Interim Dividend of ₹ 5/- per equity share already paid would be considered as the Final Dividend for the financial year 2019-20.

The Interim Dividend already paid is in accordance with the Company's Dividend Distribution Policy, as approved by the Board, which has been disclosed in the Company's website, www.thyrocare.com, as required under Regulation 43-A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.

Transfer of unclaimed dividend to Investor Education & Protection Fund:

Members may please note that as per the provisions of Sections 124 & 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends that remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred to the Investor Education & Protection Fund.

Some of the Shareholders have not claimed dividend for the following years, and these amounts have been transferred to the respective Unpaid Dividend Accounts, and are liable to be transferred to the Investor Education & Protection Fund as shown below:

Dividend for	No. of Shareholders who have not claimed	Unclaimed - Amount	Date of declaration	Date of transfer to Unpaid Account	Last date for transfer to Investor Education Fund
2015-16 Final	1454	1,92,390	12.09.2016	12.10.2016	12.10.2023
2016-17 Interim	375	62,590	28.01.2017	27.02.2017	27.02.2024
2016-17 Final	371	72,100	12.08.2017	11.09.2017	10.09.2024
2017-18 Interim	308	60,255	03.02.2018	05.03.2018	04.03.2025
2017-18 Final	322	55,740	01.09.2018	01.10.2018	30.09.2025
2018-19 Final	240	2,07,860	24.08.2019	23.09.2019	22.09.2026
2019-20 Interim	277	59,520	07.11.2019	06.12.2019	05.12.2026

There is no Dividend amount relating to previous years, which remains unpaid / unclaimed for a period of seven years, requiring transfer to the Investor Education & Protection Fund under the provisions of Section 124 of the Companies Act, 2013.

The Shareholders may note that along with the Unclaimed Dividend Amount, **the relevant shares shall also be transferred to the IEPF Authority.**

Therefore, the Shareholders concerned may write to the Company or to the Company's Registrar & Share Transfer Agent, Link Intime India Private Ltd., at the earliest, to claim their dividend.

Share Capital:

During the year under review, following changes have taken place in the Equity Share Capital of the Company.

In December 2019, the Company allotted 37,759 new equity shares at face value to the eligible employees who had exercised the Stock Options granted to them in 2016.

Consequent on the allotment of shares as above, the Paid-up Equity Capital of the Company stands at ₹ 52,83,63,650/- (Rupees Fifty Two Crores Eighty Three Lakhs Sixty Three Thousand Six Hundred and Fifty only) made up of 5,28,36,365 equity shares of ₹ 10/- each, as shown below:

	No. of shares	Amount - ₹
AUTHORISED EQUITY SHARE CAPITAL	**10,00,00,000**	**100,00,00,000**

ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARE CAPITAL		
As on 01-04-2019	5,27,98,606	52,79,86,060
Add: No. of shares issued under ESOP 2015-16	37,759	3,77,590
As on 31-03-2020	5,28,36,365	5,28,36,3650

Reserves & Surplus:

Total Reserves & Surplus as the close of the financial year under review stands at ₹ 325.39 Crores, as shown below:

₹ in Crores

	Standalone		Consolidated	
	31-03-2020	**31-03-2019**	**31-03-2020**	**31-03-2019**
Capital Reserve	30.25	30.25	31.71	31.71
Securities Premium Account	67.24	65.08	67.24	65.08
Share Options Outstanding Account	3.72	3.88	3.73	3.89
Capital Redemption Reserve	0.96	0.96	0.96	0.96
General Reserve	9.17	9.17	9.17	9.17
Retained Earnings	214.05	293.64	201.01	271.52
Total	**325.39**	**402.98**	**313.82**	**382.33**

Deposits:

The Company has not accepted any public deposits and as such, there was no outstanding amount towards repayment of principal or payment of interest as on the date of the balance sheet.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:

No material changes have occurred subsequent to the end of the financial year of the Company to which the financial statements relate and till the date of the report, which will have an impact on the financial position of the Company.

Auditors:

B S R & Co. LLP, Chartered Accountants, Mumbai (having firm Registration No. 101248W/W-100022 were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 16th Annual General Meeting (AGM) of the Company held on September 12, 2016, on a remuneration to be mutually agreed upon by the Board of Directors and the Statutory Auditors. They will continue to function as the Statutory Auditors of the Company upto the conclusion of the 21st Annual General Meeting.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, the requirement of seeking ratification of the Members every subsequent year for the appointment of the Statutory Auditors has been withdrawn from the Statute effective from May 7, 2018. Hence, no resolution seeking ratification of the Members for continuance of their appointment at this AGM is being placed before the Members.

Auditors' Report:

The Auditors have not made any qualification, reservation or adverse remark or disclaimer in their Report on the financial statements of the Company for the year under review.

Internal Auditors:

M/s. M. Chinnaswamy & Co., Chartered Accountants, Coimbatore, having Firm Registration No. 018008S, appointed as Internal Auditors of the Company, conducted Internal Audit for the financial year 2019-20 as per the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014. Their reports were reviewed by the Audit Committee and follow-up measures taken wherever necessary.

Cost Auditor:

As per Rule 3 of Companies (Cost Records & Audit) Rules, 2014, your company is required to maintain cost records and accordingly such records and accounts are prepared and maintained.

As per the provisions of Section 148 (3) of Companies Act, 2013, read with Rule 14 of Companies (Audit & Auditors) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, had appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2019-20 and also fixed the remuneration payable to him.

Approval of the Members is sought by way of ratification for the remuneration payable to him, as required under the above provisions of Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014.

Secretarial Audit Report:

As required under the provisions of Section 204 (1) of the Companies Act, 2013, and Regulation 24-A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is required to undertake a Secretarial Audit. Accordingly, V Suresh Associates, Practising Company Secretaries, Chennai, appointed by the Board of Directors to conduct Secretarial Audit of the Company, have conducted the Audit.

The Secretarial Audit Report issued by the Secretarial Auditors, V Suresh Associates, Practising Company Secretaries, Chennai, in Form MR-3 is furnished in **Annexure-1,** attached to this report as required under the said provisions of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Secretarial Auditors have not made any qualification, reservation, adverse remark or disclaimer.

V. Suresh Associates have also carried out Secretarial Audit of unlisted Subsidiary Company, Nueclear Healthcare Limited, as required under the Regulation 24-A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and their report does not contain any qualification, reservation, adverse remark or disclaimer.

Directors:

A) Changes in Directors and Key Managerial Personnel:

Pursuant to the provisions of Rule 8(5) (iii) of Companies (Accounts) Rules, 2014, it is reported that the following changes in the Directors have taken place:

The following three Independent Directors have been reappointed for the second term of five years, at the 19th Annual General Meeting held on August 24, 2019:

1. Mr. G.S. Hegde, effective from 21-08-2019.
2. Mr. Vishwas Kulkarni, effective from 21-08-2019.
3. Dr. Neetin Desai, effective from 20-09-2019.

Mr. N. Palanisamy, another Independent Director, had expressed his intention not to get reappointed due to personal reasons, and hence he ceased to be a Director as at the close of 19-09-2019 on conclusion of his first term of five years.

Consequent on the above changes, the Board of Directors presently consists of seven (7) Directors, viz. three Promoter-Directors (including a woman director), and four Independent Directors, including one Independent Woman Director. This meets with the requirements of the Companies Act, 2013 and the Rules framed thereunder, and the requirements under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.

As the earlier term of Dr. A. Velumani, Chairman, as Managing Director & Chief Executive Officer ended as at the close of March 31, 2020, the Board of Directors have reappointed him as Managing Director & Chief Executive Officer for a further period of five years effective from April 01, 2020. Though the Board of Directors had, on the recommendation of Nomination & Remuneration Committee, decided on a remuneration of ₹ 1.5 Crore per annum, Dr. A. Velumani has opted to receive a token remuneration of ₹ 1/- (Rupee One only) per month during this term also, as in his previous term. This has been accepted by the Board.

As the earlier term of Mr. A. Sundararaju as Executive Director & Chief Financial Officer, too, ended as at the close of March 31, 2020, the Board of Directors have reappointed him as Executive Director & Chief Financial Officer, for a further period of five years effective from April 01, 2020. Though the Board of Directors had, on the recommendation of Nomination & Remuneration Committee and Audit Committee, decided on a remuneration of ₹ 0.75 Crore per annum, Mr. A. Sundararaju has opted to receive the same remuneration of ₹ 5 lakhs per month which he received during the previous term. This has been accepted by the Board.

The above proposals are being placed before the Members for their approval at this Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Memorandum & Articles of Association of the Company, Miss. Amruta Velumani, Non-Executive, Non-Independent Woman Director, retires by rotation, and being eligible offers herself for reappointment.

The Company has all the Key Managerial Personnel in place as required under the provisions of Companies Act, 2013, viz. Dr. A. Velumani, Chairman & Managing Director as CEO, Mr. A. Sundararaju, Executive Director as CFO and Mr. Ramjee Dorai, as Company Secretary & Compliance Officer, and there is no change in the key managerial personnel during the year.

B) Declaration by Independent Directors:

The Company has received necessary declaration from all the Independent Directors under Sub-section 7 of Section 149 of the Companies Act, 2013 that they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the Companies Act, 2013.

The Independent Directors have complied with the Code of Conduct prescribed in Schedule IV to the Act.

C) Formal Annual Evaluation of Board, its Committees and Directors including Independent Directors:

As per the provisions of Section 134(3) (p) of Companies Act, 2013, read with Rule 8 (4) of the Companies (Accounts) Rules, 2014, the Board conducted an evaluation of its own performance and that of its Committees and Individual Directors.

As per the provisions of Section 149 (8) of the Companies Act, 2013, read with Clause VIII of Schedule IV of the said Act, and Regulation 17(10) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, annual evaluation of the performance of all the Independent Directors was done by the entire Board of Directors, excluding the Director being evaluated.

As per the provisions of Clause VII of Schedule IV of the said Act, and Regulation 25(3) & (4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, all the Independent Directors had, at an exclusive meeting held on February 01, 2020, under the chairmanship of Mr. Gopalkrishna Shivaram Hegde, the Lead Independent Director, reviewed the performance of non-independent directors and the board of directors as a whole, reviewed the performance of the Chairperson and the Executive Director, and assessed the quality, quantity and timeliness of flow of information between the management and the board of directors. They recorded their satisfaction and had no adverse comments to make.

As per the provisions of Section 178(2) of the Companies Act, 2013, Nomination & Remuneration Committee had also carried out evaluation of performance of every director.

Evaluation of the performance of the individual directors was done based on criteria such as attendance, participation in the deliberations, contribution to the discussions at the Board / Committee meetings, understanding of the issues involved, ability to bring in new ideas and initiatives, commitment to fulfill the obligations and responsibilities of a director, etc.

In the case of Independent Directors, their fulfillment of independence criteria as specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and their independence from the Management was also considered during evaluation.

Evaluation of the performance of the Board and its Committees was done based on the criteria such as constructive nature of discussions, ability to analyze the issues and take considered decisions, adherence to statutory requirements, ability to draw clear business strategies, etc.

The criteria for evaluation of performance of Independent Directors and the Board of Directors were laid down by the Nomination & Remuneration Committee, as provided under Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The last year's observations and current year's observation did not warrant any follow up action.

Number of meetings of the Board of Directors:

During the year under review, the Board of Directors met on six occasions as follows:

(i) 18-05-2019, (ii) 13-06-2019, (iii) 10-08-2019,
(iv) 21-09-2019, (v) 07-11-2019 and (vi) 01-02-2020.

Audit Committee:

The Audit Committee consists of two Independent Directors and one Executive Director, as follows:

1.	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2.	Mr. Vishwas Kulkarni	Independent Director	Member
3.	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Member

The composition of the Audit Committee meets with the requirement of the Section 177 of the Companies Act, 2013 and Clause 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. All the recommendations of the Audit Committee were accepted by the Board, and there was no instance where Board did not accept the recommendation of the Audit Committee during the year under review.

Nomination and Remuneration Committee:

The Nomination & Remuneration Committee consists of three members and all the three are Independent Directors, as follows:

1.	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2.	Mr. Vishwas Kulkarni	Independent Director	Member
3.	Dr. Indumati Gopinathan	Independent Director	Member

The composition of the Nomination and Remuneration Committee meets with the requirements of the Section 178 of the Companies Act, 2013 and Clause 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The policy formulated by Nomination and Remuneration Committee is given in the **Annexure-2**, attached to this report. The Policy is also made available on the Company's website, www.thyrocare.com.

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee consists of one Independent Director, one Executive Director and one Non-Executive, Non-Independent, Woman Director, as follows:

1.	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2.	Mr. A. Sundararaju	Executive Director & CFO	Member
3.	Miss. Amruta Velumani	Non-Executive, Non-Independent Woman Director	Member

The composition of the Stakeholders Relationship Committee meets with the requirements of the Section 178 of the Companies Act, 2013 and Clause 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Corporate Social Responsibility (CSR) Committee:

The Company has constituted a Corporate Social Responsibility Committee consisting of two Independent Directors and one Executive Director, as follows:

1.	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2.	Mr. Vishwas Kulkarni	Independent Director	Member
3.	Mr. A.Sundararaju	Executive Director & CFO	Member

The composition of the Corporate Social Responsibility Committee meets with the requirements of Section 135 of the Companies Act, 2013.

During the year under review, the Company has spent a total sum of ₹ 4.09 crores on the CSR activities as approved by the CSR Committee and Audit Committee.

The Corporate Social Responsibility Policy of your company has been made available on its website, www.thyrocare.com

Disclosures as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in the **Annexure-3**, attached to this report.

Risk Management Committee:

The Company has constituted a Risk Management Committee consisting of one Independent Director, one executive Director and one Non-Executive, Non-Independent, Woman Director as follows:

1.	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2.	Mr. A. Sundararaju	Executive Director & CFO	Member
3.	Miss. Amruta Velumani	Non-Executive, Non-Independent Woman Director	Member

The composition of the Risk Management Committee meets with the requirements of Clause 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Risk management policy:

The Company has formulated a Risk Management policy identifying the elements of risk, and it has been made available on the website of the Company, www.thyrocare.com.

Code of Conduct:

As required under Regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) 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 has been communicated to all the Directors and Senior Management personnel. The Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2019-20. The Senior Management personnel have also submitted declarations confirming that, in none of the financial / commercial transactions of the Company, they had any personal interest conflicting with the interests of the Company.

Vigil Mechanism:

In accordance with Sub-Section (9) and (10) of Section 177 of the Companies Act, 2013, and Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended, the Company has in place a Vigil Mechanism (Whistle Blower Policy) to enable directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct. The full details of the Policy have been made available in the Company's website, www.thyrocare.com. The details display the name, address and mail-id of the Chairman of the Audit Committee, to whom the disclosures should be made. There is no change in the Whistle-blower Policy adopted by the Company in the last year.

Policy on prevention of Sexual Harassment:

The Company has formed a Committee to attend to any complaint of sexual harassment at the workplace. The statement and disclosures pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, are given in the Corporate Governance Report.

During the financial year ended March 31, 2020, the Company has not received any complaint from any employee pertaining to any sexual harassment.

Statement of particulars of appointment and remuneration of managerial personnel:

There are no managerial personnel, who were in receipt of remuneration of not less than the limit mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the whole financial year or part of the financial year.

Subsidiaries, Associates and Joint Ventures:

Nueclear Healthcare Limited (Nueclear) is the wholly owned subsidiary and its entire share capital made up of 1,11,11,000 equity shares is held by your company, which includes 6 shares held in the name of six nominees who are holding one share each, as nominees of your company, in order to meet with the statutory requirement of having a minimum number of seven shareholders.

Nueclear operates a growing network of molecular imaging centres, primarily focused on early and effective cancer detection and monitoring. Each of Nueclear's imaging centres uses PET-CT scanners to assist in cancer diagnosis, staging, monitoring of treatment, and efficacy and evaluation of disease recurrence.

During the year under review, the company has 12 imaging centres, out of which 2 centres operated from Surat and Vadodara have been closed due to unfair business practices carried out by the franchisee, which was contrary to the terms of the agreement entered into with them. The matter has already been filed and pending before the High Court of Gujarat. The remaining 10 centres are operating smoothly from various locations as follows:

1. Navi Mumbai,	2. New Delhi,	3. Hyderabad,
4. Raipur,	5. Jaipur,	6. Mumbai,
7. Aurangabad,	8. Nashik,	9. Bangalore and
10. Coimbatore.		

Nueclear also owns and operates a medical cyclotron unit in Navi Mumbai, which produces the radioactive bio-marker required for PET-CT scanning.

Equinox Labs Private Limited (Equinox) is an associate company, where your company has made an investment of ₹ 20 Crores in its equity share capital. Your company is presently holding 4,29,185 numbers of equity shares of the above company, constituting 30% of their paid-up Equity Share Capital. Thus, Equinox has become an Associate company of your company, as defined in Section 2 (6) of the Companies Act, 2013. **Equinox** is engaged in the business of water, food and other environment and hygiene testing.

Your company presently does not have any Joint Venture.

A statement containing the salient feature of the financial statement of the Company's Wholly-owned Subsidiary and the Associate company, pursuant to the first proviso to sub-section (3) of Section 129 has been given in Form No. **AOC-1,** as **Annexure-4,** attached to this report.

Particulars of contracts or arrangements with related parties:

The particulars of the contracts and arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, which were on arms' length basis as provided under Explanation (b) to the third proviso thereto and the details have been furnished in Form No. **AOC-2**, as **Annexure-5**, attached to this report.

Particulars of loans, guarantees or investments under Section 186:

The Company has given Loan to Nueclear Healthcare Limited, a wholly owned subsidiary of the Company, under the provisions of Section 186 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014.

Pursuant to Section 186 (4) of the Companies Act, 2013 and Schedule V of the Listing Regulations, details of loans given and investments made, have been disclosed in the financial statements.

Corporate Governance Report:

As required under the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, Corporate Governance Report is attached and forms part of the Annual Report.

Management's Discussion and analysis

As required under the provisions of Regulation 34 (2) (e) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is attached and forms part of this Annual Report.

Business Responsibility Report:

As required under the provisions of 34 (2) (f) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Business Responsibility Report is attached and forms part of this Report.

Compliance with Secretarial Standards:

It is also confirmed that your company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Particulars of employees:

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

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and (ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary

Name of the Directors	Position	Ratio to median remuneration	%age of increase in the financial year
Executive Directors / KMPs			
Dr. A. Velumani	Chairman, Managing Director & CEO	*	
Mr. A.Sundararaju	Executive Director & CFO	20.49	**
Mr. Ramjee Dorai	Company Secretary	11.43	21.74

** Does not arise, as Dr. A. Velumani, Chairman, Managing Director & CEO has opted to receive a token remuneration of ₹ 1/- only per month.*

*** Does not arise, as Mr. A. Sundararaju, Executive Director & Chief Financial Officer, has opted to receive the same remuneration of ₹ 5 lakhs only per month*

The non-executive directors are not getting any remuneration.

Independent directors are being paid sitting fee only. There is no increase in the Sitting Fee payable per meeting. However, the actual amount paid may differ based on the number of meetings attended by them. This cannot be compared to the median remuneration of employees.

(ii) Dr. A. Velumani and Mr. A. Sundararaju are the Chairman & Managing Director, Director & Chief Financial Officer, respectively, of the wholly-owned subsidiary, Nueclear Healthcare Limited. However, they are not receiving any remuneration from Nueclear.

(iii) The percentage increase in the median remuneration of employees in the financial year: 4.26%

(iv) The number of permanent employees on the rolls of Company as on 31-03-2020: 1,333

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase was 10.83% in the salaries of employees other than the managerial personnel, and the average increase in the managerial remuneration was 14.73%. In comparison, there is no unreasonable difference.

(vi) The remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

(vii) A statement containing the names of top ten employees in terms of remuneration drawn pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate Annexure forming part of this report but is not being circulated to the Members in terms of Sec. 136 of the Act, and any shareholder interested in obtaining a copy thereof may write to the Company and it will be sent to them.

(viii) There was no employee who was in receipt of remuneration, during the year under review, in excess of the limit specified under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Employees Stock Purchase / Option Schemes:

As already intimated, your Company had allotted 33,650 equity shares in the year 2014 to Thyrocare Employees Stock Option

Trust, as approved by the shareholders, which got multiplied to 1,34,600 equity shares subsequent to the Bonus issue made in 2014. These shares vested on the eligible employees numbering One Hundred, on April 01, 2018 and all of them have exercised their option to acquire these shares, and the shares have been transferred to the respective employees, except for a small quantity of 364 shares which is also being transferred shortly.

The Shareholders had also approved granting of 5,05,359 Nos. of Stock Options, equivalent to 1% of the then paid-up equity share capital of the Company, to be distributed to the eligible employees over a period of ten years at the rate of 0.10% with an increase or decrease of 0.02% depending on the Company's growth.

Accordingly, the Company has already issued Stock Options for the years 2014-15 to 2018-19, out of which the Options granted for 2014-15 and 2015-16 got vested on the continuing eligible employees and the Options granted to a few employees who have left before the date of vesting, got lapsed and have been added back to the pool.

This year, it is proposed to grant Stock Options equivalent to 40,429 Equity Shares, which would vest on the eligible employees after a lock-in period of three years, subject to their continuing in service, and the proposal is being placed before the Members for their approval.

The details of Options granted, shares allotted, etc., are given below:

Total no of Options reserved		**505,359**
Less: Options granted in 2014-15	40,434	
Less: Options granted in 2015-16	50,537	
Less: Options granted in 2016-17	50,516	
Less: Options granted in 2017-18	40,452	
Less: Options granted in 2018-19	40,429	
Less: Options under grant in 2019-20	40,429	
Total of the above		**262,797**
Balance (A)		**242,562**
Add: Options for 2014-15 lapsed and added back to the Pool in 2018	6,461	
Add: Options for 2015-16 lapsed and added back to the Pool in 2019	12,778	
Total Options lapsed (B)		**19,239**
Balance Options available for distribution in the coming years (A + B)		261,801

The disclosure as per rule 12 (9) of The Companies (Share Capital and Debentures) Rules, 2014 relating to Employees Stock Option Scheme is enclosed as **Annexure-6,** attached to this report.

Consent of the shareholders is being sought for the ESOP Scheme in toto, so that we could get in-principle approval from the stock exchanges for listing of equity shares equivalent to the remaining number of stock options instead of applying every year.

Change in the nature of business:

There is no change in the nature of core business of the Company or in that of the Subsidiary Company during the year under review.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future:

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

Conservation of energy, technology absorption and foreign exchange earnings and outgo:

Pursuant to the provisions of Clause (m) of Sub-Section 3 of Section 134 of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules 2014, the details of conservation of energy, technology absorption, foreign exchange earnings and outgo, are given in the **Annexure-7**, attached to this report.

Extract of the Annual Return:

As per the provisions of Sub-Section 3 of Section 92 of the Companies Act, 2013, read with rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT-9 is furnished as **Annexure-8**, attached to this report. A copy of Annual Return has also been placed in the Company's website, www.thyrocare.com.

Insurance:

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

Internal Financial Controls:

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

Directors' Responsibility Statement:

Pursuant to the provisions of Sub-Section 5 of Section 134 of the Companies Act, 2013, your Board of Directors confirm, to the best of their knowledge and ability, that:

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

(b) 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 that period;

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

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

Acknowledgements:

Your Directors wish to take the opportunity of thanking Axis Bank, and IDBI Bank, for support extended by them.

Thanks are also due to our customers for their continued patronage and the franchisees / authorised service providers and vendors for their co-operation.

Thanks are also due to the Employees for their sincere services and co-operation.

Your Directors also wish to thank the Members for the confidence they have reposed in the Board of Directors of the Company.

For and on behalf of the Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
Chairman, Managing Director & CEO
DIN: 00002804

Place: Navi Mumbai
Date: 23-05-2020

Board's Report
Form No. MR-3 Secretarial Audit Report

ANNEXURE-1

For the Financial Year 2019-20

[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,

M/s. THYROCARE TECHNOLOGIES LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. THYROCARE TECHNOLOGIES LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **M/s. THYROCARE TECHNOLOGIES LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. THYROCARE TECHNOLOGIES LIMITED** ("the Company") for the financial year ended on 31st March 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(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 and amendments from time to time; **(No events during the audit period)**

(d) The Securities and 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;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(No events during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(No events during the audit period)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(No events during the audit period)**

Other Laws specifically applicable to this Company is as follows:

(vi) The Bio-medical Wastes (Management and Handling) Rules 1998;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors (including a woman Independent Director).There is no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to 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.

We 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.

As per the minutes of the meeting, all the decisions were taken unanimously in as much as there were no dissenting views appearing in the minutes of the meetings.

We further report that during the audit period as per the information provided and to the best of our knowledge there were no other specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and the Secretarial Standards.

We further report that, during the audit period,

1. The Company has issued and allotted 37,759 equity shares to 103 eligible employees of the Company under its ESOP Scheme 2016. The Company has complied with all the provisions of the Companies Act, 2013, read with the rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI (Share Based Employees Benefits) Regulations, 2014, as amended. The necessary approvals (In-principle and final approval for admitting and trading of the new shares) form NSE and BSE have been obtained, and the same has been registered with both the depositories, viz. NSDL and CDSL. Consequently, the paid up capital of the Company got increased as follows;

Particulars	**No. of shares**	**Amt. in ₹**
Authorised Capital	10,00,00,000	100,00,00,000
Issued, subscribed and paid up capital before Allotment	5,27,98,606	52,79,86,060
Add: No. of shares allotted under ESOP Scheme 2016	37,759	3,77,590
Issued, subscribed and paid up capital post Allotment	5,28,36,365	52,83,63,650

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P. No. 6032
Peer Review Cert. No. : 667/2020
UDIN: F002969B000358357

Place: Chennai
Date: 23-05-2020

Board's Report
Nomination & Remuneration Committee

ANNEXURE-2

The Nomination & Remuneration Committee consists of three directors, viz.

1 Mr. Gopalkrishna Shivaram Hegde, Independent Director - Chairman

2 Mr. Vishwas Kulkarni, Independent Director - Member

3 Dr. Indumati Gopinathan, Independent Director – Member

The following is the broad description of the terms of reference of the Committee:

1 Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2 Formulating of criteria for evaluation of performance of the independent directors and the Board;

3 Devising a policy on Board diversity;

4 Identifying persons who qualify 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;

5 Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6 Analysing, monitoring and reviewing various human resource and compensation matters;

7 Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

8 Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

9 Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

10 Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable;

11 Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

(i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

(ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

12 Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee."

Nomination & Remuneration Policy:

The objectives of the Policy:

1 To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors (Executive and Non-executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.

2 To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.

3 To carry out evaluation of the performance of Directors.

4 To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

For and on behalf of Board of Directors,
Thyrocare Technologies Limited,

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804

G. S. Hegde
(Chairman, Nomination & Remuneration Committee)
DIN: 00157676

Place: Navi Mumbai
Date: 23-05-2020

Board's Report

ANNEXURE-3

Report on CSR Activities

1	A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:	The Company's CSR Policy is based on the principle of extending support to the underprivileged segments of the Society and rendering service to achieve selected goals for the common benefit of the entire society.
		The Company has identified four thrust areas for implementation of its CSR Policy, viz. (i) Environment-oriented (ii) Society-oriented (iii) Education-oriented and (iv) Health-care oriented.
		CSR Policy may be viewed at the Company's website, "www.thyrocare.com"
2	The composition of the CSR Committee:	The Company has a CSR committee of directors comprising of
		- Mr. Gopalkrishna Shivaram Hegde, Independent Director- Chairman
		- Mr. Vishwas Kulkarni, Independent Director- Member
		- Mr. A. Sundararaju, Executive Director & CFO- Member
		₹ in crores.
3	Average net profit of the Company for the three financial years:	135.23
4	Prescribed CSR expenditure at 2% of the above amount	2.70
5-a	Total amount spent during the year 2019-20	4.09
5-b	Amount unspent	Does not arise.
5-c	Manner in which the amount spent during the financial year	Mentioned in the Annexure attached.
6	In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	This does not apply for current year. There is a balance amount relating to the earlier years, which could not be spent pending identification of suitable project(s), will be spent in the ensuing financial years.
7	A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.	We hereby affirm that the implementation and monitoring of the CSR Policy, as approved by the Board, is in compliance with the objectives and Policy of the Company.

For and on behalf of Board of Directors,
Thyrocare Technologies Limited,

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804
Place: Navi Mumbai
Date: 23-05-2020

G. S. Hegde
(Chairman, CSR Committee)
DIN: 00157676

ANNEXURE-3.1

Board's Report
Details of CSR Project of the Company

(₹ in Crores)

1	2	3	4	5	6		7	8
S. No.	**CSR Project or Activity identified**	**Sector in which project is covered**	**Projects or programs (1) Local area or other (2) specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on the projects or programs**		**Cumulative expenditure incurred upto the reporting period**	**Amount spent: direct or through implementing agency**
					Direct expenditure on project or programs	**Over heads**		
1	Financial Support to School Students, by way of scholarship, provision of free lunch, etc., and Financial Assistance to poor children for education.	Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	Maharashtra & Tamil Nadu		0.06	-	0.06	Direct
2	Distribution of Rain coats to flood victims and other needy persons.	Disaster management, including relief, rehabilitation and reconstruction activities.	Pan India	-	0.15	-	0.21	Direct
3	Donation to blind organization of India	Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	Maharashtra	-	0.01	-	0.22	Direct
4	Donation of books to School Libraries in aided schools.	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditions and handicrafts	Tamil Nadu	-	0.16	-	0.38	Direct
5	Pension to Old age people	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Tamil Nadu		0.18	-	0.56	Direct
6	Covid-19 related programmes, like distribution of food packets, sanitizers, hand-shields and other consumables to migrants, security & para-medical personnel, creating awareness of Do's and Don'ts, through media, etc.	Healthcare, including preventive healthcare & sanitation, and disaster management	Pan India		3.53	-	4.09	Direct
					4.09		4.09	

For and on behalf of Board of Directors,
Thyrocare Technologies Limited,

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804
Place: Navi Mumbai
Date: 23-05-2020

G. S. Hegde
(Chairman, CSR Committee)
DIN: 00157676

Board's Report
Form AOC-1

ANNEXURE-4

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Crores)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Nueclear Healthcare Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as the Holding Company's reporting period, viz. 31-03-2020.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital – Authorised	15.00
	– Paid-up	11.11
5	Reserves & surplus	38.98
6	Total Assets	107.44
7	Total Liabilities	107.44
8	Investments	0
9	Turnover	34.70
10	Profit / Loss before taxation	-9.89
11	Provision for taxation	8.17
12	Profit / Loss after taxation	-18.06
13	Proposed Dividend	Nil
14	% of shareholding	100%
Notes: The following information shall be furnished at the end of the statement:		
1. Names of subsidiaries, which are yet to commence operations:		Nil
2. Names of subsidiaries, which have been liquidated or sold during the year:		Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Companies and Joint Ventures

(₹ in Crores)

	Name of Associate Companies /Joint Ventures	Equinox Labs Private Limited, Mumbai.
1	Latest audited Balance Sheet Date	Balance sheet as on 31st March 2020.
2	Shares of Associate/Joint Ventures held by the company on the year end	
	- Number.	4,29,185
	- Amount of Investment in Associates/Joint Venture	₹ 20.00 Crores
	- Extent of Holding%	30.00%
3	Description of how there is significant influence	The Company does not have significant influence
4	Reason why the associate/joint venture is not consolidated	Not Applicable, as it is consolidated
5	Net worth attributable to shareholding as per latest audited Balance Sheet	7.58
6	Profit/Loss for the year	
	i. Considered in Consolidation	0.59
	ii. Not Considered in Consolidation	NA
1.	Names of associates or joint ventures which are yet to commence operations:	Nil
2.	Names of associates or joint ventures which have been liquidated or sold during the year:	Nil

For and on behalf of the Board of Directors,
Thyrocare Technologies Limited

Ramjee Dorai
Company Secretary
FCS-2966
Navi Mumbai
23-05-2020

Dr. A. Velumani
Chairman, Managing Director & CEO
DIN- 00002804
Navi Mumbai
23-05-2020

A. Sundararaju
Executive Director & CFO
DIN- 00003260
Navi Mumbai
23-05-2020

Board's Report
Form AOC-2

ANNEXURE-5

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1 Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts/arrangements/transactions	Nil
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e)	Justification for entering into such contracts or arrangements or transactions	Nil
(f)	Date of approval by the Board	Nil
(g)	Amount paid as advances, if any:	Nil
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

2 Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Nil
(b)	Nature of contracts/arrangements/transactions	Nil
(c)	Duration of the contracts/arrangements/transactions	Nil
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Nil
(e)	Date(s) of approval by the Board, if any:	Nil
(f)	Amount paid as advances, if any:	Nil

For and on behalf of the Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
Chairman, Managing Director & CEO
DIN- 00002804
Navi Mumbai
23-05-2020

ANNEXURE-6

Board's Report
Statements on Employees Stock Option Scheme

Sr. No.	Particulars	Details				
		2015	2016	2017	2018	2019
		Shares	Shares	Options	Options	Options
a.	Options granted	40,434	50,537	50,516	40,452	40,429
b.	Options vested	33,973	37,759	Not yet due	Not yet due	Not yet due
c.	Options exercised	33,973	37,759	Not yet due	Not yet due	Not yet due
d.	The total number of shares arising as a results of exercise of option	33,973	37,759	Not Applicable	Not Applicable	Not Applicable
e.	Options lapsed and added back to the Pool	6,461	12,778	Not Applicable	Not Applicable	Not Applicable
f.	The exercise price (Already determined)	₹10/-	₹10/-	₹10/-	₹10/-	₹10/-
g.	Variations of terms of options	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
h.	Money realized by exercise of options - in ₹	339,730	377,590	Not Applicable	Not Applicable	Not Applicable
i.	Total number of options in force (*)	--	--	50,516	40,452	40,429
j.	Employee wise details of options granted to:-					
	i. Key Managerial Personnel					
	Mr. Ramjee Dorai	Nil	Nil	851	583	600
	ii. Any other employee who receives a grant in any one year of option amount to 5% or more of options granted during the year					
1	Dr. Caesar Sengupta, Vice-President-Operations.	6,076	3,520	2,986	2,026	2,100
2	Mr. M. Chandrasekhar, Vice-President-Infrastructure	4,411	NA	NA	NA	NA
3	Mr. Kallathikumar, Vice-President-Laboratory	2,209	NA	NA	NA	NA
4	Mr. S. Krishnakumar, General Manager-Laboratory	2,155	NA	NA	NA	NA
	iii. Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None	None	None	None	None

Does not include Options for 2020 which are yet to be approved

For and on behalf of the Board of Directors,
Thyrocare Technologies Limited,

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804

Place: Navi Mumbai
Date: 23-05-2020

Board's Report

ANNEXURE-7

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

(A)	**CONSERVATION OF ENERGY:-**	
(i)	the steps taken or impact on conservation of energy	Standard operating hours have been scheduled for all Air-conditioners & Lights. It is being monitored round the clock. Automatic Air-conditioner scheduler has been installed to optimize the running hours and reduce power consumption. Also 3rd party Energy audit was conducted to assess and replace old Electrical and UPS systems.
(ii)	the steps taken by the company for utilizing alternate sources of energy:	The Company has installed 232 KW rooftop solar power plant in Central Processing Laboratory situated at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400703, and 65 KW in Corporate Office of the Company situated at D-37/3, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai- 400703, which ensures 15% to 20% of total power consumption comes from renewable sources. We have also taken steps for installing solar power plant at Delhi, Gurgaon and Hyderabad lab locations.
(iii)	the capital investment on energy conservation equipment	Around 1.5 Crore
(B)	**TECHNOLOGY ABSORPTION:-**	
(i) the Efforts made towards technology absorption:		1. We have installed 7 sets of Quantstudio RT-PCR system and 7 sets of automated sample preparation system to automate COVID-19 RT-PCR testing work flow for faster turn-around time.
		2. Expanded Bio-safety Laboratory (BSL-3) for testing of COVID samples from 100 samples to 10,000 samples at Central Processing Laboratory in Navi Mumbai.
		3. Similar State-of-the-art labs are being made in Gurgaon, Bangalore and Kolkata
		4. Added high throughput automation for blood grouping and Rh Typing
(ii)	the Benefits derived like product improvement, cost reduction, product development or import substitution:	These technologies helped us expand our menu, testing capacity and improve the efficiency of our services.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	Nil
	(a) the details of technology import	
	(b) the year of import	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development:	
(C)	**FOREIGN EXCHANGE EARNINGS AND OUTGO:-**	
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows-	

Actual Inflow and Outgo during the year		(Currency in ₹ Crores)
Particulars	**31-03-2020**	**31-03-2019**
Actual Inflow	6.10	5.19
Actual Outflow	3.49	4.99

For and on behalf of the Board of Directors,
Thyrocare Technologies Limited,

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804

Place: Navi Mumbai
Date: 23-05-2020

ANNEXURE-8

Board's Report
Extract of Annual Return

As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L85110MH2000PLC123882
2	Registration Date	28-01-2000
3	Name of the Company	THYROCARE TECHNOLOGIES LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares Indian Non-Government Company
5	Address of the Registered office & contact details	D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai (MH)-400703 Ph. No. 022-27622762
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Link Intime India Private Limited C-101, 247 Park. L B S Marg, Vikhroli West, Mumbai- 400 083. Ph. 022- 49186000

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Independent diagnostic/pathological laboratory services	86905	97.45%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nueclear Healthcare Limited, D/37-1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703.	U74120MH2011PLC212839	Wholly owned subsidiary company	100.00	Section 2(87)
2	Equinox Labs Privae Limited 224,Plot-3/3A,Unique Industrial Estate, Swatantra, Veer Sawarkar Marg, Prabhadevi, Mumbai-400025.	U74999MH2017PTC297024	Associate Company	30.00	Section 2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	20,104,293	-	20,104,293	38.08	20,280,751	-	20,280,751	38.38	0.31
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	14,588,715	-	14,588,715	27.63	14,598,715	-	14,598,715	27.63	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**34,693,008**	**-**	**34,693,008**	**65.71**	**34,879,466**	**-**	**34,879,466**	**66.01**	**0.31**
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL (A)	**34,693,008**	**-**	**34,693,008**	**65.71**	**34,879,466**	**-**	**34,879,466**	**66.01**	**0.31**
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	7,078,601	-	7,078,601	13.41	4,343,032	-	4,343,032	8.22	-5.19
b) Banks / FI	177,434	-	177,434	0.34	17,858	-	17,858	0.03	-0.30
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	352,553	-	352,553	0.67	0.67
g) Foreign Portfolio Investors	6,161,986	-	6,161,986	11.67	8,536,638	-	8,536,638	16.16	4.49
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Alternate Investment Funds	-	-	-	-	203,170	-	203,170	0.38	0.38
Sub-total (B)(1):-	**13,418,021**	**-**	**13,418,021**	**25.41**	**13,453,251**	**-**	**13,453,251**	**25.46**	**0.05**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	2,026,314	5	2,026,319	3.84	2,358,158	5	2,358,163	4.46	0.63
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	1,001,189	-	1,001,189	1.90	737,195	-	737,195	1.40	-0.50
c) NBFCs registered with RBI	1,721		1,721	0.00	5,000		5,000	0.01	0.01
d) Trust Employee	-	-	-	-	150		150	0.00	0.00
e) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Bodies Corporate	1,269,694	-	1,269,694	2.40	939,416	-	939,416	1.78	-0.63
Foreign Nationals- NRI (Non Repat and NRI Repat)	266,651	-	266,651	0.51	250,219	-	250,219	0.47	-0.03
Clearing Members	24,691		24,691	0.05	104,628		104,628	0.20	0.15
Trusts	333	-	333	0.00	343	-	343	0.00	0.00
Hindu Undivided Family (HUFs)	96,615	-	96,615	0.18	108,170	-	108,170	0.20	0.02
Sub-total (B)(2):-	**4,687,208**	**5**	**4,687,213**	**8.88**	**4,503,279**	**5**	**4,503,284**	**8.52**	**-0.35**
Total Public (B)	**18,105,229**	**5**	**18,105,234**	**34.29**	**17,956,530**	**5**	**17,956,535**	**33.99**	**-0.31**
C. Employees Benefit Trust under SEBI (Shared Based Employee Benefit) Regulations, 2014	364	-	364	0.00	364	-	364	0.00	-
Grand Total (A+B+C)	**52,798,601**	**5**	**52,798,606**	**100.00**	**52,836,360**	**5**	**52,836,365**	**100.00**	**-**

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dr. A. Velumani	14,809,317	28.05	-	14,809,317	28.03	-	-0.02
2	Mr. A. Sundararaju	249,669	0.47	-	249,669	0.47	-	-0.00
3	Mr. Anand Velumani	633164	1.20	-	633164	1.20	-	-0.00
4	Miss. Amruta Velumani	752512	1.43	-	752512	1.42	-	-0.00
5	A. Velumani HUF	1243091	2.35	-	1419549	2.69	-	0.33
6	A. Sundararaju HUF	2416540	4.58	-	2416540	4.57	-	-0.00
7	Mahima Advertising LLP	1260000	2.39	-	1260000	2.38	-	-0.00
8	Thyrocare Publications LLP	6534500	12.38	-	6534500	12.37	-	-0.01
9	Sumathi Infra Project LLP	1576415	2.99	-	1576415	2.98	-	-0.00
10	Thyrocare Properties and Infrastructure Pvt. Ltd.	5217800	9.88	-	5217800	9.88	-	-0.01
11	Pavilion Commercial Pvt. Ltd.	-	-	-	10000	0.02	-	0.02

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Dr. A. Velumani**						
	At the beginning of the year	1-Apr-19		14,809,317	28.05%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				14,809,317	28.03%
2	**Mr. A. Sundararaju**						
	At the beginning of the year	1-Apr-19		249,669	0.47%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				249,669	0.47%
3	**Mr. Anand Velumani**						
	At the beginning of the year	1-Apr-19		633,164	1.20%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				633,164	1.20%
4	**Miss. Amruta Velumani**						
	At the beginning of the year	1-Apr-19		752,512	1.43%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				752,512	1.42%
5	**A. Velumani HUF**						
	At the beginning of the year	1-Apr-19		1,243,091	2.35%		
	Purchase	26-Apr-19	Transfer	37,054		1,280,145	2.42%
	Purchase	31-May-19	Transfer	47		1,280,192	2.42%
	Purchase	7-Jun-19	Transfer	6,703		1,286,895	2.44%
	Purchase	29-Jun-19	Transfer	73,268		1,360,163	2.58%
	Purchase	5-Jul-19	Transfer	59,386		1,419,549	2.69%
	At the end of the year	31-Mar-20				1,419,549	2.69%
6	**A. Sundararaju HUF**						
	At the beginning of the year	1-Apr-19		2,416,540	4.58%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				2,416,540	4.57%

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
7	**Mahima Advertising LLP**						
	At the beginning of the year	1-Apr-19		1,260,000	2.39%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				1,260,000	2.38%
8	**Thyrocare Publications LLP**						
	At the beginning of the year	1-Apr-19		6,534,500	12.38%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				6,534,500	12.37%
9	**Sumathi Infra Project LLP**						
	At the beginning of the year	1-Apr-19		1,576,415	2.99%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				1,576,415	2.98%
10	**Thyrocare Properties and Infrastructure Pvt. Ltd.**						
	At the beginning of the year	1-Apr-19		5,217,800	9.88%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				5,217,800	9.88%
11	**Pavilion Commercial Pvt. Ltd.**						
	At the beginning of the year	1-Apr-19		-	0.00%		
	Purchase	26-Apr-19	Transfer	10,000		10,000	
	At the end of the year	31-Mar-20				10,000	0.02%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. N.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Nalanda India Equity Fund Limited**						
	At the beginning of the year	1-Apr-19		-	0.00%	-	-
	Purchase	27-Mar-20	Transfer	3,366,371	-	3,366,371	6.37%
	At the end of the year	31-Mar-20		-	-	3,366,371	6.37%
2	**Reliance Capital Trustee Co. Ltd.- A/C Reliance Pharma Fund**						\
	At the beginning of the year	1-Apr-19		2,106,792	3.99%	-	-
	Sale	12-Apr-19	Transfer	(2,429)		2,104,363	3.98%
	Sale	19-Apr-19	Transfer	(7,711)		2,096,652	3.97%
	Sale	26-Apr-19	Transfer	(37,990)		2,058,662	3.90%
	Sale	10-May-19	Transfer	(38,370)		2,020,292	3.82%
	Purchase	17-May-19	Transfer	12,399		2,032,691	3.85%
	Purchase	24-May-19	Transfer	50,000		2,082,691	3.94%
	Purchase	31-May-19	Transfer	22,275		2,104,966	3.98%
	Purchase	7-Jun-19	Transfer	11,329		2,116,295	4.01%
	Purchase	14-Jun-19	Transfer	11,900		2,128,195	4.03%
	Purchase	29-Jun-19	Transfer	4,900		2,133,095	4.04%
	Purchase	19-Jul-19	Transfer	37,000		2,170,095	4.11%
	Sale	26-Jul-19	Transfer	(3,000)		2,167,095	4.10%
	Purchase	2-Aug-19	Transfer	6,147		2,173,242	4.11%
	Purchase	9-Aug-19	Transfer	2,778		2,176,020	4.12%
	Purchase	20-Sep-19	Transfer	41,000		2,217,020	4.20%
	Purchase	27-Sep-19	Transfer	11,900		2,228,920	4.22%
	Sale	8-Nov-19	Transfer	(5,834)	-	2,223,086	4.21%
	Sale	15-Nov-19	Transfer	(17,000)		2,206,086	4.18%

S. N.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Purchase	22-Nov-19	Transfer	18,100		2,224,186	4.21%
	Purchase	6-Dec-19	Transfer	44,300		2,268,486	4.29%
	Purchase	24-Jan-20	Transfer	2,300		2,270,786	4.30%
	Purchase	31-Jan-20	Transfer	90,300		2,361,086	4.47%
	Purchase	7-Feb-20	Transfer	5,800		2,366,886	4.48%
	Purchase	14-Feb-20	Transfer	34,000		2,400,886	4.54%
	Purchase	28-Feb-20	Transfer	50,000		2,450,886	4.64%
	At the end of the year	31-Mar-20			-	2,206,086	4.64%
3	**New Horizon Opportunities Master Fund**						
	At the beginning of the year	1-Apr-19		2,200,000	4.16%	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-20		-	-	2,200,000	4.16%
4	**Sundaram Mutual Fund A/C Sundaram Small Cap Fund**						
	At the beginning of the year	1-Apr-19		1,520,212	2.88%	-	-
	Purchase	19-Apr-19	Transfer	10,548		1,530,760	2.90%
	Purchase	24-May-19	Transfer	178,833		1,709,593	3.24%
	Purchase	27-Sep-19	Transfer	45,575		1,755,168	3.32%
	Purchase	11-Oct-19	Transfer	1,844		1,757,012	3.33%
	Sale	29-Nov-19	Transfer	(1,716)		1,755,296	3.32%
	Sale	13-Dec-19	Transfer	(1,040)		1,754,256	3.32%
	Sale	6-Mar-20	Transfer	(766)		1,753,490	3.32%
	Sale	27-Mar-20	Transfer	(262,423)		1,491,067	2.82%
	At the end of the year	31-Mar-20	Transfer	(10,733)		1,480,334	2.80%
5	**Fundsmith Emerging Equities Trust PLC**						
	At the beginning of the year	1-Apr-19		883,693	1.67%	-	-
	Sale	6-Mar-20	Transfer	(31,266)	-	852,427	1.61%
	Sale	13-Mar-20	Transfer	(14,336)		838,091	1.59%
	At the end of the year	31-Mar-20		-	-	838,091	1.59%
6	**Al Mehwar Commercial Investments LLC- Noosa**						
	At the beginning of the year	1-Apr-19		795,000	1.50%	-	-
	Changes during the year						
	At the end of the year	31-Mar-20		-	-	795,000	1.50%
7	**Old Well Emerging Markets Master Fund, L.P.**						
	At the beginning of the year	1-Apr-19		-	-	-	-
	Purchase	31-Mar-20	Transfer	400,620	0.76%	400,620	0.76%
	At the end of the year	31-Mar-20		-	-	400,620	0.76%
8	**SBI Healthcare Opportunities Fund**						
	At the beginning of the year	1-Apr-19		-	-	-	-
	Purchase	28-Feb-20	Transfer	200,000		200,000	0.38%
	Purchase	6-Mar-20	Transfer	200,000		400,000	0.76%
	At the end of the year	31-Mar-20		-	-	400,000	0.76%
9	**Bennett, Coleman and Company Limited**						
	At the beginning of the year	1-Apr-19		300,000	0.57%	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-20		-	-	300,000	0.57%
10	**Cobra India (Mauritius) Limited**						
	At the beginning of the year	1-Apr-19		440,275	0.83%	-	-
	Sale	24-Jan-20	Transfer	(21,100)		419,175	0.79%
	Sale	31-Jan-20	Transfer	(46,700)		372,475	0.71%
	Sale	13-Mar-20	Transfer	(13,863)		358,612	0.68%
	Sale	20-Mar-20	Transfer	(64,388)		294,224	0.56%
	At the end of the year	31-Mar-20				294,224	0.56%

(v) **Shareholding of Directors and Key Managerial Personnel:**

S. No	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Dr. A. Velumani**						
	At the beginning of the year	1-Apr-19		14,809,317	28.05%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				14,809,317	28.03%
2	**Mr. A. Sundararaju**						
	At the beginning of the year	1-Apr-19		249,669	0.47%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-20				249,669	0.47%
3	**Mr. Gopalkrishna Shivaram Hegde**						
	At the beginning of the year	1-Apr-19		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-20		-	-	-	-
4	**Mr. Vishwas Kulkarni**						
	At the beginning of the year	1-Apr-19		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-20		-	-	-	-
5	**Dr. Neetin Desai**						
	At the beginning of the year	1-Apr-19		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-20		-	-	-	-
6	**Miss. Amruta Velumani**						
	At the beginning of the year	1-Apr-19		752,512	1.43%	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-20		-	-	752,512	1.42%
7	**Dr. Indumati Gopinathan**						
	At the beginning of the year	1-Apr-19		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-20		-	-	-	-
8	**Mr. Ramjee Dorai**						
	At the beginning of the year	1-Apr-19		33	0.00%	-	-
	Changes during the year			-	-		-
	At the end of the year	31-Mar-20		-	-	33	0.00%
9	**Mr. N. Palanisamy***						
	At the beginning of the year	1-Apr-19		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-20		-	-	-	-

* Ceased to be a Director as at the close of September 19, 2019.

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

The Company has neither taken any Secured/Unsecured loans nor accepted any deposits during the financial year 2019-20.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Dr. A. Velumani	Mr. A. Sundararaju	In ₹
	Designation	Chairman, Managing Director & CEO	Executive Director & CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.00	60,00,000.00	60,00,012.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	Nil	Nil	-
3	Sweat Equity	Nil	Nil	-
4	Commission			-
	- as % of profit	Nil	Nil	-
	- others, specify	Nil	Nil	-
5	Others, please specify			-
	i) Leave Encashment	-	-	-
	Total (A)	**12.00**	**60,00,000.00**	**60,00,012.00**
	Ceiling as per the Act			

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					In ₹
1	**Independent Directors**	**Mr. G.S. Hegde**	**Mr. Vishwas Kulkarni**	**Dr. Neetin Desai**	**Mr. N.Palanisamy***	**Dr. Indumati Gopinathan**	**Total Amount**
	Fee for attending board committee meetings	1,90,000.00	1,60,000.00	40,000.00	30,000.00	70,000.00	4,90,000.00
	Commission	Nil	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	Nil	
	Total (1)	**1,90,000.00**	**1,60,000.00**	**40,000.00**	**30,000.00**	**70,000.00**	**4,90,000.00**
2	**Other Non-Executive Directors**						
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	
	Commission	Nil	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	Nil	
	Total (2)	**-**	**-**	**-**	**-**		**-**
	Total (B)=(1+2)	**1,90,000.00**	**1,60,000.00**	**40,000.00**	**30,000.00**	**70,000.00**	**4,90,000.00**
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						

* Ceased to be a Director as at the close of September 19, 2019.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	In ₹
	Name	**Ramjee Dorai**	
	Designation	**Company Secretary & Compliance Officer**	**Total Amount**
1	Gross salary	27,58,515.00	27,58,515.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	4,49,626.00	4,49,626.00
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify - Bonus	35,986.00	35,986.00
5	Others, please specify	-	-
	Total	**32,44,127.00**	**32,44,127.00**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors,
Thyrocare Technologies Limited,

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804

Place: Navi Mumbai
Date: 23-05-2020

Corporate Governance Report

1. Company's Philosophy on Code of Governance:

The Company's philosophy on code of governance is to ensure

- Highest levels of transparency and accountability in all facets of its operations;
- Equity and ethics in its interactions with all stakeholders, including Clients, Shareholders, Employees, Vendors and Business Partners.
- Commitment in its responsibility towards the Society as a whole.

In modern world, the Corporates play a very significant role in the economic development of a Nation. They not only contribute to the economic growth and development, but also play a significant role in achieving the aspirations of the Society as a whole.

The Company's basic goal is, therefore, to maximize the long term value for all our stakeholders – investors, employees, customers, business associates, and the society at large, and all its business decisions and actions are oriented towards achieving this basic goal.

The Company has been following many of the Corporate Governance requirements voluntarily even before it became a listed company. This culture continues, and the Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") including the recent amendments.

2. Board of Directors

a) Composition and Category of Directors:

The Board of Directors of the Company is headed by Dr. A. Velumani, Founder-Promoter of the Company. As on 31st March 2020, the Board has seven directors - Two Executive Directors, One Non-Executive Woman Director, and Four Non-Executive Independent Directors, including one Independent Woman Director. The composition of Board of Directors meets with the requirement under the provisions of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.

None of the Directors on the Board holds directorships in more than eight listed entities. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding their Committee positions, if any, in other public companies as on March 31, 2020, have been made by all the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations, read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the said Regulations, they have submitted declarations that they meet with the criteria of independence as provided in the said Regulations and are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors, after due assessment of veracity of such declarations, have taken them on record.

During the year under review, the 5-year term of the four Independent Directors, viz. Mr. Gopalkrishna Shivaram Hegde, Mr. Vishwas Kulkarni, Dr. Neetin Desai and Mr. N. Palanisamy came to an end, and out of them Mr. N. Palanisamy had expressed his desire not to accept reappointment for the second term of five years due to personal reasons. The other three, viz., Mr. Gopalkrishna Shivaram Hegde, Mr. Vishwas Kulkarni and Dr. Neetin Desai were reappointed at the last Annual General Meeting held on 24-08-2019 as Independent Directors for a second term of five years each from the respective dates of conclusion of the first term of five years, and Mr. N Palanisamy ceased to be a Director effective from 19-09-2019 on conclusion of his first term of five years. Dr. Indumati Gopinathan, who had been earlier appointed as a Non-Independent Director was appointed as Independent Woman Director by the Board of Directors at their meeting held on 09-03-2019, and her appointment was approved by the Members at the last Annual General Meeting.

The following table gives details of current Composition and Category of Board of Directors:

S. No.	Name	Director Identification No. (DIN)	Designation	Category
1	Dr. A. Velumani	00002804	Chairman, Managing Director & Chief Executive Officer	Executive Director – Promoter
2	Mr. A. Sundararaju	00003260	Executive Director & Chief Financial Officer	Executive Director – Promoter
3	Mr. Gopalkrishna Shivaram Hegde	00157676	Director	Non-Executive Independent Director
4	Mr. Vishwas Kulkarni	06953750	Director	Non-Executive Independent Director
5	Dr. Neetin Desai	02622364	Director	Non-Executive Independent Director
6	Mr. N. Palanisamy *	06972368	Director	Non-Executive Independent Director
7	Miss. Amruta Velumani	06534120	Director	Non-Executive Director - Promoter Group
8	Dr. Indumati Gopinathan	06779331	Director	Non-Executive, Independent Director

*Ceased to be an Independent Director effective from 19-09-2019

The composition of the Board is in conformity with Section 149 of the Act read with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.

b) Attendance of Directors at the meetings:

The details of attendance of the Directors at the Board Meetings held during the year ended March 31, 2020 and at the last Annual General Meeting are given below:

S. No.	Name	Board Meetings		Attendance at AGM held on 24-08-2019
		Held during the tenure of the Director	Attended	
1	Dr. A. Velumani	6	6	Yes
2	Mr. A. Sundararaju	6	6	Yes
3	Mr. Gopalkrishna Shivaram Hegde	6	6	Yes
4	Mr. Vishwas Kulkarni	6	6	Yes
5	Dr. Neetin Desai	6	4	Yes
6	Mr. N. Palanisamy *	3	3	No
7	Miss. Amruta Velumani	6	6	Yes
8	Dr. Indumati Gopinathan	6	4	Yes

**Ceased to be an Independent Director as at the close of 19-09-2019*

c) Other Directorships & Committee Memberships/Chairmanships

The number of Directorships and Memberships / Chairmanship in the Committees in other public companies:

S. No.	Name	In Other Public Companies			Name of the listed entities where holding directorship, and category of directorship
		No. of Directorships	No. of Committee Membership	No. of Committee Chairmanship	
1	Dr. A. Velumani	3	-	-	-
2	Mr. A. Sundararaju	3	2	-	-
3	Mr. Gopalkrishna Shivaram Hegde	1	-	2	-
4	Mr. Vishwas Kulkarni	-	-	-	-
5	Dr. Neetin Desai	-	-	-	-
6	Mr. N. Palanisamy *	-	-	-	-
7	Miss. Amruta Velumani	-	-	-	-
8	Dr. Indumati Gopinathan	-	-	-	-

**Ceased to be an Independent Director as at the close of 19-09-2019*

d) Number of Board Meetings:

The Board meets at regular intervals to discuss, inter alia, quarterly financial results, significant developments and other regular subjects including information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, as applicable, and take appropriate decisions.

The notice of Board / Committee Meetings is given well in advance to all the Directors, and the Agenda is circulated at least one week prior to the date of the Meeting. The Agenda includes an Action Taken Report comprising of actions taken arising out of the decisions taken at the earlier Meeting, and detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision.

During the financial year ended 31st March, 2020, six Board Meetings were held as follows:

(i) 18-05-2019, (ii) 13-06-2019, (iii) 10-08-2019, (iv) 21-09-2019, (v) 07-11-2019 and (vi) 01-02-2020.

The maximum interval between any two Meetings was well within the maximum allowed gap of 120 days.

e) Disclosure of relationship between Directors inter-se:

Dr. A. Velumani, Chairman, Managing Director & Chief Executive Officer and Mr. A. Sundararaju, Executive Director & Chief Financial Officer are related to each other as Brothers. Miss. Amruta Velumani, Non-executive Director is the daughter of Dr. A. Velumani, Chairman, Managing Director & CEO. None of the other directors is related to any of the other directors.

f) Shares held by Non-Executive Directors:

S. No.	Name	Category of Director	No. of Equity Shares (Face value of ₹ 10/- each held in the Company)
1	Mr. Gopalkrishna Shivaram Hegde	Non-Executive, Independent Director	-
2	Mr. Vishwas Kulkarni	Non-Executive, Independent Director	-
3	Dr. Neetin Desai	Non-Executive, Independent Director	-
4	Mr. N. Palanisamy *	Non-Executive, Independent Director	-
5	Miss. Amruta Velumani	Non-Executive, Non-Independent Director (Promoter Group)	7,52,512
6	Dr. Indumati Gopinathan	Non-Executive, Independent Director	-

**Ceased to be an Independent Director as at the close of 19-09-2019*

The Company has not issued any convertible instruments.

g) Web-link where details of familarisation programmes imparted to independent directors are disclosed.

Details of familarisation programmes conducted for the Independent directors are disclosed in Company's website www.thyrocare.com/investor relations

h) Matrix setting out the skills / expertise / competence of the Board of Directors.

S. No.	Skill Area	Expectation	Dr. A. Velumani	Mr. A. Sundararaju	Mr. G.S. Hegde	Mr.Vishwas Kulkarni	Dr. Neetin Desai	Mr. N. Palanisamy*	Miss. Amruta Velumani	Dr. Indumati Gopinathan
1	Experience in leading a large business enterprise	Ability to lead an enterprise having sizeable manpower, diverse clientele, business associates having different business background and others connected with the business.	√	√	-	-	√	-	√	√
2	Working out correct business strategies and policies.	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies for achieving the given objectives of the Company, relevant policies and priorities.	√	√	√	√	√	-	√	√
3	Technical / Professional skills	Knowledge of the type of Company's business and appropriate exposure with ability to identify evolving trends in the area of Company's business and identify opportunities for the business development.	√	√	-	-	√	-	√	√
4	Legal acumen and exposure to changing regulatory landscape.	Ability to understand the compliance requirements under various laws, and also to guide and ensure that the board's responsibility in overseeing compliance with statutory rules and regulations is properly discharged.	√	√	√	√	-	-	-	-
5	Risk management	Ability to identify key risks to in a wide range of areas including commercial operations, business environment, management of clients, vendors, employees and others, and issues involving legal and regulatory compliance.	√	√	√	√	√	-	√	√
6	Financial Knowledge	Ability to understand and analyze key financial statements, critically assess financial viability and performance, oversee efficient use of resources.	√	√	√	√	√	-	√	√
7	Marketing & Communications and consumers' expectations.	Knowledge of and exposure to nuances of marketing and public promotion campaigns, and ability to gather information relating to consumers' expectations and grievances.	√	√	√	√	√	-	√	√
8	Commercial Experience	A broad range of commercial / business experience, preferably in areas relating or relevant to the Company's business.	√	√	√	√	√	-	√	√
9	Human Resources Management	Ability to understand the competencies expected of human resources forming the backbone of the Company, their expectation and the ways and means of monitoring their performance, attitude and contribution.	√	√	√	√	√	-	√	√

**Ceased to be an Independent Director as at the close of 19-09-2019*

i) **Independent Directors:**

The Board of Directors confirms that in its opinion, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and are independent of the management.

No Independent Director has resigned during the year under review. However, as mentioned above, Mr. N. Palanisamy, whose first five year term ended on 19-09-2019, had expressed his intention not to accept reappointment for the second term of five years for personal reasons. Hence, he ceased to be an Independent Director effective from the date of conclusion of his first five year term, i.e. 19-09-2019.

3. AUDIT COMMITTEE:

a) **Brief description of terms of reference:**

The terms of reference of Audit Committee are broadly as under:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, remuneration and terms of appointment of the auditors of the Company;
3. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
4. Approval of payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing with the management, the annual financial statements and auditor's report thereon 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 clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
    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; and
    g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
7. 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 utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed Offer by the Company;
8. Approval of any transactions of the Company with Related Parties, including any subsequent modifications thereof.
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end-use of funds raised through public offers and related matters;
13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

14. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

15. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

16. Discussing with internal auditors on any significant findings and follow up there on;

17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

20. Reviewing the functioning of the whistle blower mechanism;

21. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision. and

23. Carrying out such other function as may be required in pursuance of any decision of the Board of Directors or any provision under the Companies Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or any other applicable law.

    The Audit Committee shall mandatorily review the following information:

    1. Management's discussion and analysis of financial condition and results of operations;
    2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
    3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
    4. Internal audit reports relating to internal control weaknesses;
    5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
    6. Statement of deviations:
        (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
        (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of the Listing Regulations."

        The Audit Committee shall have the following powers:

        i. To investigate any activity within its terms of reference;
        ii. To seek information from any employee;
        iii. To obtain outside legal or other professional advice; and
        iv. To secure attendance of outsiders with relevant expertise, if it considers necessary."

b) Composition, names of members and chairperson:

The Audit Committee has been constituted with an Independent Director as Chairman, an Independent Director and an Executive Director (who is also Chief Financial Officer) as Members as shown below:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Independent Director	Member
3	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Member

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

c) Meetings and attendance during the year:

During the year, there were six meetings of Audit Committee, held on

(i) 18-05-2019, (ii) 13-06-2019, (iii) 10-08-2019, (iv) 21-09-2019, (v) 07-11-2019 and (vi) 01-02-2020.

The maximum gap between two consecutive Audit Committee Meetings did not exceed 120 days.

The details of attendance at the Committee are as follows:

S. No.	Name	Position	Committee Meetings	
			Held	Attended
1	Mr. Gopalkrishna Shivaram Hegde	Chairman	6	6
2	Mr. Vishwas Kulkarni	Member	6	6
3	Mr. A. Sundararaju	Member	6	6

4. NOMINATION & REMUNERATION COMMITTEE:

a) Brief description of terms of reference:

The terms of reference of Nomination & Remuneration Committee are broadly as under:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Formulating of criteria for evaluation of performance of the independent directors and the Board;

3. Devising a policy on Board diversity;

4. Identifying persons who qualify 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;

5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Analysing, monitoring and reviewing various human resource and compensation matters, and recommending to the Board all remuneration, in whatever form, payable to senior management.

7. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable;

11. Framing suitable policies and systems to ensure that there is no violation, by any employee of any applicable laws in India or overseas, including:

    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

12. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

b) Composition, names of members and chairperson:

The Nomination & Remuneration Committee was constituted with a Non-Executive Independent Director as Chairman, and two Non-Executive Independent Directors as Members as shown below:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Non-executive Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Non-executive Independent Director	Member
3	Dr. Indumati Gopinathan	Non-executive Independent Director	Member

c) Meetings and attendance during the year.

During the year, there were two meetings of Nomination & Remuneration Committee, held on 18-05-2019 and 01-02-2020. Details of attendance of Members of Nomination & Remuneration Committee are given below:

S. No.	Name	Position	Committee Meetings	
			Held	Attended
1	Mr. Gopalkrishna Shivaram Hegde	Chairman	2	2
2	Mr. Vishwas Kulkarni	Member	2	2
3	Dr. Indumati Gopinathan	Member	2	2

The Company Secretary acts as the Secretary of the N & R Committee.

d) Performance evaluation criteria for independent directors:

Evaluation of performance of Independent Directors is carried out on the criteria of complying with statutory requirements applicable to independent directors, ability to understand the interests of the Company independent of any other factor, participation in the discussions, contribution to the decision-making, etc.

5. REMUNERATION TO DIRECTORS.

a) The Independent Directors are only paid sitting fee for the meetings attended by them, as approved by the Board of Directors. The details of sitting fees paid to them for the year under review are given below:

S. No.	Name of the Independent Director	Sitting Fee paid during the year - ₹
1	Mr. Gopalkrishna Shivaram Hegde	1,90,000
2	Mr. Vishwas Kulkarni	1,60,000
3	Dr. Neetin Desai	40,000
4	Mr. N. Palanisamy*	30,000
5	Dr. Indumati Gopinathan	70,000

**Ceased to be an Independent Director as at the close of 19-09-2019*

b) There were no pecuniary transactions with any of the non-executive directors of the Company, other than sitting fees paid to the Independent Directors, mentioned above.

c) The criteria of making payments to non-executive directors has been disseminated in the Company's website, www.thyrocare.com.

d) Dr. A. Velumani, Chairman, Managing Director & CEO and Mr. A. Sundararaju, Executive Director & Chief Financial Officer, are the two executive directors who received remuneration during the year under review. The details are given below:

	Dr. A. Velumani, Chairman, Managing Director & CEO	**Mr. A. Sundararaju, Executive Director & Chief Financial Officer**
Salary	₹ 12/- *	₹ 60,00,000/-
Benefits	-	-
Bonuses	-	-
Stock Option	-	-
Pension	-	-
Commission	-	-
Leave Encashment	-	-
Total	**₹ 12/-**	**₹ 60,00,000/-**
Service Contract	Appointed for a term of five years from April 01, 2020. **	Appointed for a term of five years from April 01, 2020. **
Notice Period	As per rules of the Company.	As per rules of the Company.
Severance Fees	Nil	Nil

** As already intimated, Dr. A. Velumani, Chairman, Managing Director & CEO, has opted to draw a token remuneration of ₹ 1/- (Rupee One Only) per month against higher remuneration proposed by the Board. Mr. A. Sundararaju, Executive Director & Chief Financial Officer, has opted to draw a remuneration of ₹ 5 lakhs only per month.*

*** Both Dr. A. Velumani and Mr. A. Sundararaju have been reappointed by the Board of Directors for a further period of five years effective from 01-04-2020, and their reappointment is being placed before the Members at this Annual General Meeting for approval.*

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a) Composition:

The Stakeholders Relationship Committee has been constituted with Mr. Gopalkrishna Shivaram Hegde, an Independent Director as Chairman, and an Executive Director (who is also a CFO) and a Non-Executive Non-Independent Director as Members as shown below:

S. No.	**Name**	**Category of Director**	**Position in Committee**
1	Mr. Gopalkrishna Shivaram Hegde	Non-Executive Independent Director	Chairman
2	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Member
3	Miss. Amruta Velumani	Non-executive Non-Independent Director	Member

b) Name and designation of the Compliance Officer:

Mr. Ramjee Dorai, Company Secretary & Compliance Officer.

c) Number of shareholders' complaints received so far: **1**

d) Number not solved to the satisfaction of shareholders: **Nil**

e) Number of pending complaints: **Nil**

7. GENERAL BODY MEETINGS:

a) Location and time, where last three annual general meetings held;

The last three Annual General Meetings of the Company were held as under:

AGM Detail	Venue	Time & Date
17th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	10.30 A.M. on August 12, 2017
18th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	3.00 P.M. on September 01, 2018
19th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	3.00 P.M. on August 24, 2019

b) Special resolutions passed in the previous three annual general meetings:

17th Annual General Meeting:

1. Issue of Stock Options equivalent to 50,516 equity shares to the eligible employees of the Company.

18th Annual General Meeting:

1. Issue of Stock Options equivalent to 40,452 equity shares to the eligible employees of the Company.
2. Buyback Proposal.

19th Annual General Meeting:

1. Issue of Stock Options equivalent to 40,429 equity shares to the eligible employees of the Company.

c) Whether any special resolution passed last year through postal ballot, details of voting pattern and (d) Person who conducted the postal ballot exercise:

During the year under review, no special resolution was passed through Postal Ballot.

e) Whether any special resolution is proposed to be conducted through postal ballot and (f) procedure for postal ballot:

No special resolution is proposed to be conducted through postal ballot on or before the ensuing AGM.

8. MEANS OF COMMUNICATION:

(a) quarterly results (b) newspapers wherein results normally published (c) any website, where displayed (d) whether it also displays official news releases; and (e) presentations made to institutional investors or to the analysts.

The Quarterly, Half-yearly and Annual results of the Company are published in leading newspapers in India, viz. The Free Press Journal (English) and Pudhari (Marathi), and are displayed on the Company's website www.thyrocare.com.

All advertisements, intimations given to the Stock Exchanges, transcripts of post-results conference calls and press releases, if any, are also displayed on the Company's website, www.thyrocare.com.

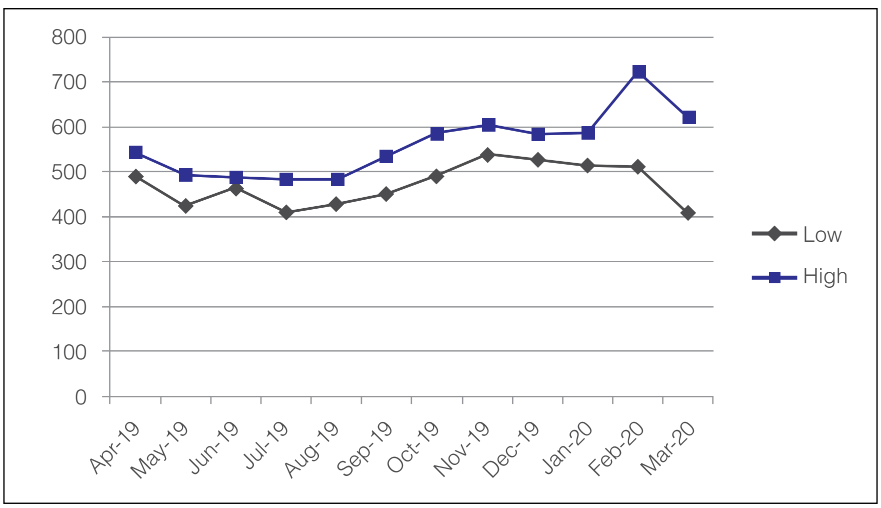
9. GENERAL SHAREHOLDER INFORMATION

A.	20th Annual General Meeting	
	Date	29-09-2020
	Day	Tuesday
	Time	03.00 P.M.
	Venue	Through video conferencing (VC)/other audio visual means (OAVM). The venue of AGM shall be deemed to be the corporate office of the Company situated at D-37/3, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400703
B.	Financial Year	1st April to 31st March.
C.	Dividend Payment Date	Within 30 days from the date of approval by the Shareholders for the dividend, if any.

D.	Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051
		BSE Limited, 1st Floor, P.J. Towers, Exchange Plaza, Dalal Street, Fort, Mumbai-400 001
		Annual Listing fee has been paid to both the exchanges.
E.	Stock Code	NSE – THYROCARE
		BSE – 539871

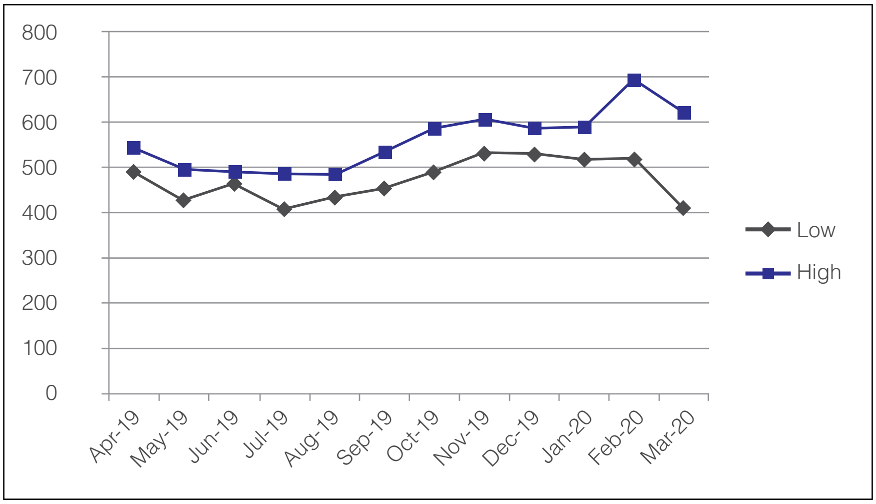
F. Share Price Movement at NSE

Month	Low	High	No. of shares traded
Apr-19	488.20	544.00	4,20,310
May-19	425.05	495.10	11,79,720
Jun-19	462.60	490.00	3,29,591
Jul-19	407.15	484.15	2,60,285
Aug-19	430.05	484.95	4,47,399
Sep-19	449.30	535.00	6,88,035
Oct-19	488.05	585.20	5,16,464
Nov-19	538.00	604.50	9,01,246
Dec-19	526.55	585.95	6,05,924
Jan-20	514.85	588.00	6,69,221
Feb-20	512.00	723.00	41,90,506
Mar-20	409.60	620.00	77,09,321



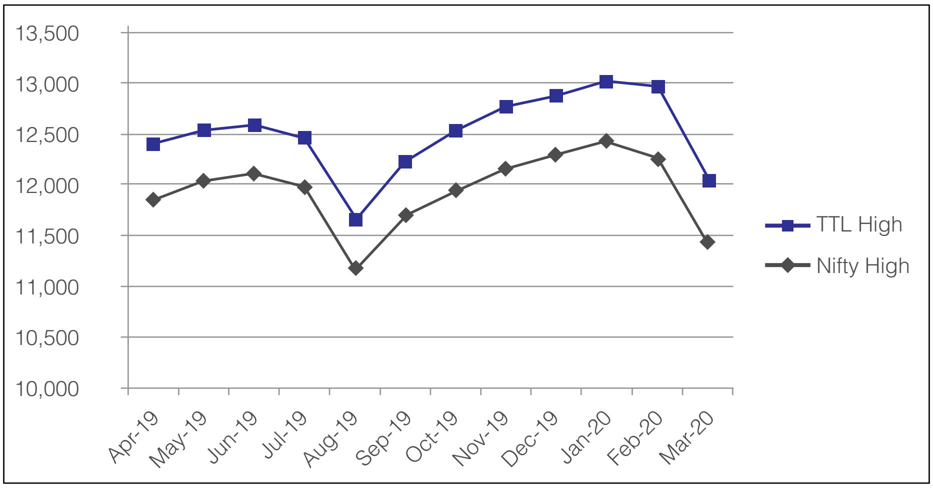
High / Low at BSE during each month in the year under reporting:

Month	Low	High	No. of shares traded
Apr-19	488.00	545.00	20,032
May-19	425.25	494.70	3,50,546
Jun-19	461.10	489.00	43,405
Jul-19	406.65	484.25	20,932
Aug-19	431.00	485.30	65,595
Sep-19	450.30	534.90	32,769
Oct-19	487.20	585.70	47,178
Nov-19	528.85	604.55	74,247
Dec-19	527.00	585.00	44,567
Jan-20	515.00	587.00	40,406
Feb-20	516.65	689.45	2,95,767
Mar-20	410.00	620.00	7,37,585

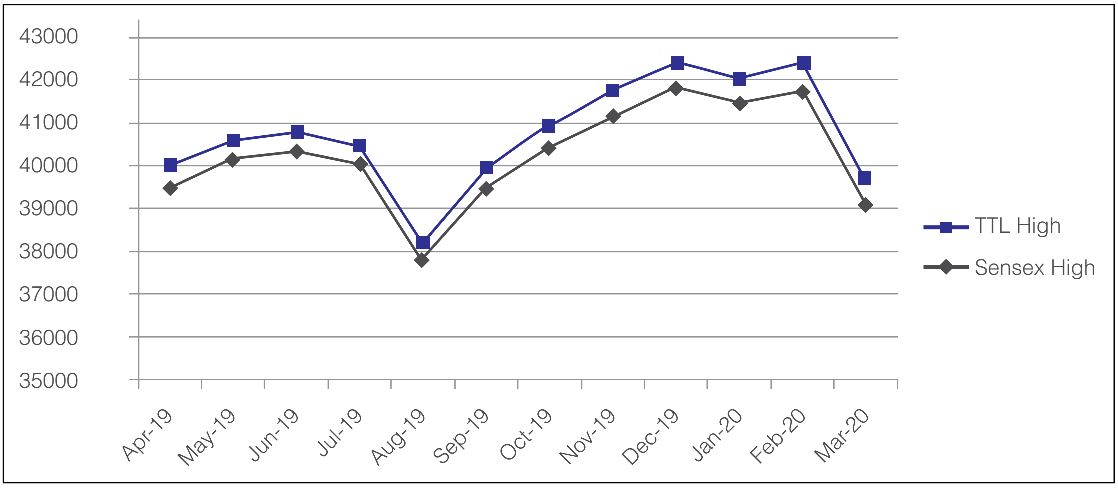


G. Performance in comparison with broad-based indices – with NSE Nifty and BSE Sensex:

Comparison with TTL High and Nifty High:



Comparison with TTL High and BSE Sensex High:



H.	**Reasons for suspension, if any**	There is no suspension.
I.	**Registrar to an issue and share transfer agents;**	Link Intime India Pvt. Limited,
		C-101, 247 Park, Lal Bahadur Shastri Marg,
		Vikhroli West, Mumbai, MH 400083.
J.	**Share Transfer System**	All shares are in demat form, except for five (5) shares, which are held in physical form by the concerned shareholder, as on 23-05-2020. Transfer of shares in demat form, is done by the depositories on receipt of appropriate Instruction Slip from the shareholder, without any involvement of the Company. However, SEBI has prohibited transfer of shares in physical form effective from April 01, 2019. If any shareholder holding shares in physical form wishes to transfer the shares, he will have to dematerialise the shares and then transfer the shares in demat form.

K. Shareholding Pattern as on May 23, 2020

S. No.	Category	No. of shares	%age
1	Promoters	3,48,79,466	66.01
2	Foreign Portfolio Investors	91,38,072	17.30
3	Mutual Funds	41,83,815	7.92
4	Public - Individuals, HUFs & Trusts	27,58,745	5.22
5	Other Bodies Corporate	8,79,666	1.66
6	Clearing Members	42,565	0.08
7	Alternative Investment Funds	2,41,832	0.46
8	Insurance Companies, Banks, NBFCs & FIs	5,00,000	0.95
9	Non Resident Indians (repatriable & non-repatriable)	2,12,204	0.40
	Total	**5,28,36,365**	**100**

Distribution of Shareholding as on May 23, 2020:

S. No.	SHAREHOLDING RANGE			NO. OF SHARE-HOLDERS	PERCENTAGE OF TOTAL	TOTAL SHARES	PERCENTAGE OF TOTAL
1	1	to	500	35202	97.68	17,09,536	3.24
2	501	to	1000	465	1.29	3,49,775	0.66
3	1001	to	2000	165	0.46	2,44,990	0.46
4	2001	to	3000	52	0.14	1,31,849	0.25
5	3001	to	4000	23	0.06	81,324	0.15
6	4001	to	5000	21	0.06	99,517	0.19
7	5001	to	10000	36	0.10	2,49,517	0.47
8	10001	to	**********	73	0.20	4,99,69,857	94.57
Total				**36,037**	**100**	**5,28,36,365**	**100**

L. Dematerialization of shares and liquidity:

The Company's shares are dematerialised, with both the depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on date, except five (5) shares held by one shareholder in physical form, all other shares are held in dematerialised form only.

ISIN No. allotted to the Company's shares is INE594H01019.

M. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity;

The Company has not issued any GDRs / ADRs or Warrants or any other Convertible Instruments that are outstanding.

N. Commodity price risk or foreign exchange risk and hedging activities;

The Company is not dealing in any commodities. The Company has foreign exchange exposure but it is not considered to necessary to have any hedging cover.

O. Plant locations:

The Company does not have any 'plants'. The Company's Central Processing Laboratory is at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai- 400 703.

The Company has eleven Regional Processing Laboratories at the following places:

1. New Delhi.	2. Hyderabad.	3. Coimbatore.
4. Kolkata.	5. Bhopal	6. Bangaluru.
7. Mumbai	8. Patna	9. Chennai
10. Pune	11. Bhubaneswar	

P. Address for correspondence

Thyrocare Technologies Limited,
D-37/3, TTC Industrial Area,
MIDC, Turbhe,
Navi Mumbai 400 703.
Maharashtra.
Phone: 022-4125 2525 / 022-2762 2762
Fax: 022-2768 2409
Email: asr@thyrocare.com

Q. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Company has not sought / obtained any credit rating; the Company has not issued any debt instruments, does not have any fixed deposit scheme and has no proposal involving mobilization of funds in India or abroad.

10. Other Disclosures:

(a)	disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;	Nil
(b)	details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;	Nil
(c)	details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;	Whistle Blower policy has been formulated as part of Vigil Mechanism introduced, and the details are available at the Company's website, www.thyrocare.com. No personnel have been denied access to the Audit Committee.
(d)	details of compliance with mandatory requirements and adoption of the non-mandatory requirements;	All mandatory requirements have been complied with. Adoption of non-mandatory requirements would be considered at appropriate time.
(e)	web link where policy for determining material' subsidiaries is disclosed;	The policy for determining 'material subsidiaries' is disclosed at the company's website, www.thyrocare.com.
(f)	web link where policy on dealing with related party transactions is disclosed.	The policy for dealing with Related Party transactions is disclosed at the company's website, www.thyrocare.com
(g)	disclosure of commodity price risks and commodity hedging activities.	Not applicable, as the Company is not dealing with any 'commodities'.
(h)	Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement.

(i)	a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.	Certificate from Mr. V. Suresh, Practising Company Secretary, is attached.
(j)	Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:	During the year, there has been no occasion where the Board has not accepted any recommendation of any of the Committees.
(k)	Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network Firm / network entity of which the statutory auditor is a part.	₹ 50,48,384/- paid during 2019-20 on consolidated basis, for all the services rendered for the period.
(l)	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:	
	Number of complaints filed during the financial year	Nil
	Number of complaints disposed of during the financial year	Nil
	Number of complaints pending as on end of the financial year.	Nil
(11)	Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed.	Not applicable, since all the requirements have been complied with.
(12)	The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.	Discretionary requirements would be adopted as and when felt appropriate.
(13)	The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.	The Company has complied with the requirements specified in regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46.

Other Corporate Governance Requirements:

(1) The Company has also constituted the following Committees:

a) Corporate Social Responsibility Committee consisting of the following members:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Non-executive Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Non-executive Independent Director	Member
3	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Member

b) Risk Management Committee consisting of the following members:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Non-executive Independent Director	Chairman
2	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Member
3	Miss. Amruta Velumani	Non-Executive Non-Independent Director	Member

2. During the year under review, the Independent Directors had an exclusive meeting, without the presence of non-independent directors and members of the management and all the independent directors were present at such meeting. During this meeting, the Independent Directors (a) reviewed the performance of non-independent directors and the board of directors as a whole; (b) reviewed the performance of the chairperson and the executive director of the listed entity, taking into account the views of executive directors and non-executive directors; and (c) assessed the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

3. Corporate Governance requirements with respect to the subsidiary:

   a) The Company has nominated Mr. Gopalkrishna Shivaram Hegde, Independent Director, as an independent director on the board of the subsidiary company, Nueclear Healthcare Limited.

   b) The audit committee of the Company reviews the financial statements, in particular, the investments made by the unlisted subsidiary.

   c) The minutes of the meetings of the board of directors of the unlisted subsidiary are placed at the meeting of the board of directors of the Company.

   d) Details of all significant transactions and arrangements entered into by the unlisted subsidiary are being brought to the notice of the board of directors of the Company.

   e) The unlisted subsidiary has undertaken Secretarial Audit through a Company Secretary in practice, which would be annexed to its Annual Report.

D.	Declaration signed by the Chief Executive Officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.		Declaration signed by the Chief Executive Officer is attached.	
E.	Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors report.		Compliance Certificate from the Auditors is annexed.	
F.	Disclosures with respect to demat suspense account / unclaimed suspense account			
	(1)	The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:	NSDL	CDSL
		(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (at the time of listing after IPO)	0	0
		(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
		(c) number of shareholders to whom shares were transferred from suspense account during the year;	0	0
		(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	0	0
		(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	N.A.	N.A.

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

(i) Significant changes in internal control over financial reporting during the year;

(ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Navi Mumbai	**A. Sundararaju**	**Dr. A. Velumani**
Date: May 23, 2020	Executive Director & CFO	Chairman, Managing Director and CEO

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Director, Non-Independent Director and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has, in respect of the year ended March 31, 2020, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the Deputy General Manager cadre and above as on March 31, 2020.

Place: Navi Mumbai	**Dr. A. Velumani**
Date: May 23, 2020	Chairman, Managing Director and CEO

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 of
Thyrocare Technologies Limited,
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai – 400703

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Thyrocare Technologies Limited having CIN:L85110MH2000PLC123882 and having registered office at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai – 400 703 (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 SEBI (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, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Dr. Velumani Arokiaswamy	00002804	28/01/2000
2	Mr. Sundararaju Arokiaswamy	00003260	28/01/2000
3	Mr. Gopal Shivram Hegde	00157676	21/08/2014
4	Mr. Vishwas Madhav Kulkarni	06953750	21/08/2014
5	Dr. Neetin Shivajirao Desai	02622364	20/09/2014
6	Ms. Amruta Velumani	06534120	22/02/2016
7	Dr. Indumati Gopinathan	06779331	12/08/2017
8	Mr. Narayanasamy Palanisamy (till closure of 19.09.2019)	06972368	20/09/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My 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 the efficiency or effectiveness with which the management has conducted the affairs of the Company.

V Suresh
Practising Company Secretary
FCS No. 2969
C.P.No. 6032
UDIN: F002969B000358390

Place: Chennai
Date: 23.05.2020

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

To the Members of

Thyrocare Technologies Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 28 September 2019.

2. This report contains details of compliance of conditions of Corporate Governance by Thyrocare Technologies Limited ('the Company') for the year ended 31 March 2020 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the conditions of Corporate Governance contained in the Listing Regulations is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

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

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2020.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

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

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2020.

9. 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.

Restriction on use

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Place: Mumbai
Date: 23 May 2020

Amar Sunder
Partner
Membership Number: 078305
ICAI UDIN: 20078305AAAAAW9426

Management Discussion and Analysis

Overview

Thyrocare Technologies Limited (referred to as 'Thyrocare' or 'the Company') is one of the leading pan-India diagnostic chains that conducts an array of medical diagnostic tests and profiles of tests focussed on early detection and management of disorders and diseases.

As of March 31, 2020, the Company offers a total of 288 tests and 120 profiles of tests to detect several disorders, including of thyroid, growth, metabolism, auto-immunity, diabetes, anemia, cardiovascular, infertility and various infectious diseases. The Company's profiles of tests include 54 profiles administered under its successful 'Aarogyam' brand, which offers patients a suite of wellness and preventive health care tests. It primarily undertakes testing services at its fully-automated Centralised Processing Laboratory (the 'CPL') supported by a network of Regional Processing Laboratories (the 'RPL').

The Company's CPL, located in Navi Mumbai, is equipped with automated systems, diagnostic testing instruments and processes from leading international and Indian healthcare brands. It is fully automated and driven by a barcoded and bi-directionally-interfaced system and Laboratory Information System. The CPL meets international quality standards and has received global accreditations from College of American Pathologists (CAP), National Accreditation Board for Testing and Calibration Laboratories (NABL) and the ISO. It commenced setting up RPLs in 2014 and currently operates 11 RPLs, one each in New Delhi, Coimbatore, Hyderabad, Chennai, Kolkata, Bangalore, Bhopal, Mumbai, Patna, Pune and Bhubaneshwar. These centres process samples sourced from their respective regions.

The Company collects samples from local hospitals, laboratories, diagnostic centres, nursing homes, clinics and doctors through its pan-India network of authorised service providers (ASPs). As of March 31, 2020, the Company had a total of 44,645 touchpoints, comprising 4,410 B2B partners across 796 cities of India. The Company's wide spread network of ASPs has enabled it to expand the reach of the CPL and RPLs, thereby providing access to a larger customer base.

A pioneer in the private sector offering an entire range of laboratory services across the nation, Thyrocare is today the most reputed in the industry with a rich, quarter-century long credentials. This is evident in it being amongst the top private players sponsored by ICMR (Indian Council for Medical Research) to accept referrals from governments and civic bodies for COVID-19 testing at its CPL. With this, Thyrocare like many other laboratory service providers were amongst the first COVID-19 frontline warriors, whose personnel pledged their unstinted support for the cause. The Company is now the sole COVID-19 testing laboratory for Municipal Corporation of Greater Mumbai's (MCGM) isolation facilities at Seven Hills Hospital, Sion Hospital, NESCO Jumbo and BKC Jumbo. It presently sources samples from Mumbai Metropolitan Region, Pune, and other districts of Maharashtra, as well as other states like Goa and Jharkhand.

Thyrocare uses only ICMR approved COVID-19 testing kits and follows all protocols provided by vendors and/or ICMR. It uses completely automated solution for extraction, RNA addition and PCR. Addition of RNA with Reagent Mix is also automated with the help of liquid handler system, thus eliminating the possibility of cross or carry over contamination.

Thyrocare also has a wholly-owned subsidiary – Nueclear Healthcare Limited (referred to as 'Nueclear') – which operates a network of molecular imaging centres focussed on early and effective cancer monitoring. Its centres are located in New Delhi, Navi Mumbai, Hyderabad, Mumbai, Jaipur, Nashik, Aurangabad and Bangalore. Each of these imaging centres use PET-CT scanners to assist in cancer diagnosis, staging, monitoring of treatment, and efficacy and evaluation of disease recurrence.

As of March 31, 2020, Nueclear has 11 operating PET-CT scanners across its 9 imaging centres: two in Navi Mumbai, two in New Delhi, one each in Hyderabad, Jaipur, Mumbai, Aurangabad, Coimbatore, Nashik and Bangalore. It is in the process of shifting existing PET-CT scanners at two other locations to newer locations. Nueclear also owns and operates a medical cyclotron unit in Navi Mumbai which produces the radioactive bio-marker FDG required for PET-CT scanning.

The Company has developed a platform of affordable diagnostic services and is positioned to further develop its services and enhance test offerings.

Thyrocare's competitive strengths are as follows:

- Portfolio of specialised tests with an emphasis on wellness and preventive healthcare

- Multi-lab model driving volume growth and economies of scale
- Pan-India collection network supported by logistics capabilities and information technology infrastructure
- Capital efficiencies in diagnostic testing business
- Experienced senior leadership and management team

Industry structure and developments

The revenue of Indian healthcare industry stood at USD 171 million in 2016-17. The industry is expected to grow at a CAGR of 16.9% from USD 125 billion in 2014-15 to USD 273 billion in 2019-20. India's healthcare market is expected to be among the top three healthcare markets globally, in terms of incremental growth, by the 2019-20.

In India's healthcare industry landscape, diagnostic services play the role of an information intermediary, providing useful information for accurate diagnosis and treatment of patients' diseases. It is classified into pathology testing services and imaging diagnostic services.

Pathology testing or invitro diagnosis involves the collection of samples in the form of blood, urine, stool, etc. and analysing them using laboratory equipment and technology to arrive at useful clinical information that assists in treatment of patents' diseases. It includes biochemistry, immunology, hematology, urine analysis, molecular diagnosis and microbiology.

Imaging diagnosis or radiology involves imaging procedures such as X-rays and ultrasounds which help determine anatomical or physiological changes inside a patient's body, thus assisting doctors to diagnose disease. It includes more complex tests such as CT scans, MRIs, and highly specialised PET-CT scans.

Though the Indian diagnostic market is still small compared to those in developed countries, it is amongst the fastest growing segments in the overall healthcare market. The industry is largely dominated by small regional unorganised diagnostic laboratories, that account for more than 70% of the total diagnostic market. Due to significant latent demand emerging on the back of improving economic conditions in the country and a rapidly emerging urban population, there is a large shift happening from unorganised to organised segment. Despite this, the share of unorganised segments continues to remain intact as low entry barriers leads to influx of many unorganised players.

According to Research Reports on Indian healthcare diagnostic industry, the industry is likely to grow by atleast 11% p.a. in next five years. The growth will be largely driven by increase in healthcare spending by aging population, rising income levels, rising awareness for preventive testing, advanced healthcare diagnostic tests offerings and central government healthcare measures. The government sponsored schemes like Ayushman Bharat which caters to the poorest income population will likely bring more patients under the ambit of health cover.

Impact of lockdown / COVID-19 and unlock measures

Though in the present scenario the Company's businesses have been adversely impacted due to the rapid spread of novel coronavirus (COVID-19) pandemic across the globe. The virus has taken its toll on not just human life, but business and financial markets too as government resorted to lockdown. The extent of its social and economic is currently indeterminate.

In view of the countrywide lockdown, operations of the Company's / Group's (collection centres, imaging centres, CPLs, RPLs and offices, etc.) are scaled down or shut down from the second half of March 2020.

Although the lockdown has been lifted either partially or fully in some of the states, its duration in remaining states is still uncertain. Though the Company/ Group is engaged in providing essential medical services, presently the containment of COVID-19 is prioritised by the State and Central Governments, thus resumption of full-fledged operations will depend upon directives issued by them.

While this has adversely impacted the overall performance, the Company has also been authorised by ICMR to perform COVID-19 tests using RT-PCR technology. The Company has accordingly initiated the process and has processed more than 1,50,000 COVID-19 tests using RT-PCR technology and more than 55,000 antibody tests.

The business of Nueclear Healthcare Limited has also been adversely impacted. The last few weeks of the financial year witnessed a sharp drop in scheduled scans of the cancer patients across all locations, mainly on account of directives issued by the Government, lack of transportation to commute at the centres and other such reasons. This necessitated Nueclear to take certain measures to mitigate the losses.

Ability to maintain operations

The Company/Group continues to closely monitor the situation and take appropriate action to scale up operations in due compliance with the applicable regulations. The Company expects no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.

Schedule for restarting operations

The Company/ Group continued operations during the period of lockdown though not on full-fledged basis. Locations where operations were completely shut down will be resumed after assessment of the conditions and in compliance with Government directives.

Steps taken for smooth functioning of operations

The Company and its Subsidiary are completely geared for smooth functioning of operations as soon as courier and cargo operations resume to normalcy mode and employees and the field personnel of its franchisees report back for regular duty.

Further, it is believed that public health officials would continue to avail the services from private laboratories for some time, resulting in effective flow of operations smoothly.

Future impact of COVID-19 on operations

The lockdown stage appears to be ending in near future and normalcy is expected to be restored in the functioning of the society. Hence future impact of COVID-19 may be insignificant on the operations of the Company and its Subsidiary, unless the pandemic rears up again in a dreadful manner.

Impact on capital and financial resources

The capital of the Company and its Subsidiary is not impacted as yet. The financial resources were impacted due to expenses incurred towards payment of salary and other statutory employee cost, unavoidable maintenance of operations, offices and laboratory infrastructures, and CSR even as operations remained suspended during the lockdown period. Such impact was limited to the last quarter of 2019-2020.

Liquidity position

The Company expects no major impact on liquidity position considering its inherent financial strength and its ability to meet contingencies.

Servicing debts and financial arrangements

The Company has no debt obligation. Its Subsidiary, Nueclear, has the ability to meet debt and other financial arrangements on the contracted terms in the normal course of operations. It is also contemplating rephasing of repayment obligations through cordial engagement with financial supporters.

Assets

The COVID-19 issue does not have any impact on the assets of the Company or its Subsidiary.

Internal financial reporting and control

Prudent financial discipline is inculcated among the management team to ensure maintenance and improvise the financial stability and strength of the Company and its Subsidiary through enhanced internal financial reporting and better control.

Supply chain

No disruption in the supply chain is expected once normalcy is restored in the link between the Company and its franchisees.

Demand for services / products

The Company expects higher demand for its products and services due to increased awareness among all sections of the society, including from in-bound and out-bound travelers.

Strategy

Thyrocare aims to deliver sustainable and productive growth by maintaining the profit margins, without compromising on the quality and the cost of service delivery.

The Company's business strategy to achieve sustainable growth post lockdown and resumption of normalcy would be as follows:

Continue to grow wellness offerings and expand product offering.

Thyrocare will continue to focus on growth of wellness and preventive offerings and expansion of its test offerings through aggressive price rationalisation. Being the leaders in preventive care diagnostic test offerings with 'Aarogyam' brand and recognising the growth opportunity in this segment, the Company is well positioned to leverage its expertise and brand. It is also channelising a significant proportion of its marketing efforts on preventive diagnostic and wellness offerings.

The Company intend to expand its diagnostic test offerings through the acquisition of new technologies, including both instruments and processes. Its initiative to launch Tuberculosis testing through dedicated 'Focus TB' has already garnered volumes in the region and it intends to expand footprints in other parts of the country by replicating its laboratory business model. The Company has also secured licenses to launch NIPT (noninvasive prenatal testing) and NGS (next generation sequencing) technologies in April, 2019. These newly launched technologies are expected to grow with larger awareness generated about the offerings in the coming years.

The Company's focus on COVID-19 business is likely to continue till the end of the pandemic. It intends to expand presence through setting up of NABL accredited COVID-19 testing laboratory in Delhi and other metro cities to ensure that no states suffer due to non-availability of diagnostic facility to contain the pandemic.

Continue to grow network of RPLs and authorised service providers.

Thyrocare has well spread presence across all states in the country through its touch points. It is now focussed on targeting uncovered locations by expanding its network of RPLs and ASPs. Simultaneously the Company will focus on increasing its customer base, generating higher volume of samples for processing, improving turnaround time and optimising logistic costs.

The Company plans on targeted expansion by opening RPLs in locations in proximity to rail or road networks and those having potential to generate high sample volumes. To sustain future growth and client base, it is also focussed on increasing the number and quality of ASPs. The Company intends to use this expanded network of RPLs and ASPs to bolster brand visibility and increase the accessibility of its services. The Company is also targeting uncovered client base by penetrating deeper into the regions by offering on door services to smaller clinics, dispensaries, laboratories and hospitals.

Continue to develop subsidiary business to provide affordable PET-CT scanning.

The Company's subsidiary, Nueclear, currently has 9 imaging centres operating 11 PET-CT scanners. Being backward integrated with own cyclotron, it has the advantage of greater flexibility, reliability and cost effectiveness which will come handy in expanding operations. Nueclear's current focus is to enhance the number of PET-CT scans per centre to attain break even for newly started centres and enhance cash flows at the matured ones to fund the deployment of additional centres.

The pandemic and the imposed lockdown has caused huge disruption due to limitation on movement of patients and FDG. Nueclear used this lockdown period to transfer one of the PET-CT to its newer centre at Borivali. It intends to undertake more such transfers to locations that can yield higher revenue and at the lower cost of operations.

Expand service platform by developing new channels that leverage the strength of brand and network.

Thyrocare plan to increase the breadth of its testing and services platform through new channels that leverage its brand, multi-lab (regional processing) model and pan-India network of service providers.

The Company has introduced various channels such as Online clients (OLCs), BTECHs (Blood collection technician), Blood collection technician online clients (BOLCs) and Last mile executives (LMEs) to ensure wider, cost effective and timely service offerings to its patients. It will continue to deepen presence by serving directly to sample giving clients.

Measures taken by the Company to use the CSR Window to mitigate the strain and sufferings of the people due to the Pandemic and create a responsible awareness to tackle it.

The COVID-19 pandemic is far more than a health crisis. It has affected almost the entire global society and economies at their core. While the impact of the pandemic varies from country to country, it is likely to increase poverty and inequalities at a global scale and in particular in countries like India. The pandemic has jeopardised the lives and livelihoods of almost a billion people in India.

As a responsive corporate, Thyrocare initiated immediate measures and involved own teams to mitigate the sufferings of the people in these troubled times under its CSR programme. Thyrocare is not hesitant to spend the whole of its designated chest to meet its call of duty. Also, the top management has volunteered to pare their remuneration to enable Thyrocare to spend more towards social causes.

Thyrcoare has so far distributed about 1,00,000 food packets to migrants, poor and their families throughout this period.

In line with the corporate objectives to ensure health awareness among the masses, Thyrocare carried out sustaining awareness campaign through different televisions channels and newspapers alerting people on do's and don'ts during the course of this pandemic.

Thyrocare has provided free facemasks, sanitisers, face shields and such other consumables to various sections of society, in particular, the migrants, home-bound migrants, workers, students, healthcare workers, policemen and personnel engaged in public service. Thyrocare has also provided free PPE kits to healthcare professionals and workers.

The profuse support rendered by Thryocare to the Government of Maharashtra in containing the spread of Covid-19 in Dharavi slums at Mumbai is well acknowledged by the medical community and social leaders.

Thryocare has kept charges at the lowest level to the services rendered to Governments. Thyrocare's lab test charges are reduced to affordable levels for general public as well.

The laudable measures taken by Governments, including financial support extended to vast mass and enterprises, are expected to yield the desired results.

Thyrocare pledges its unstinted support to the Governments in their endeavours to protect the health of the society at large, in its proud role as the first among the frontline warriors in the battle against Covid-19.

Human Resource

The Human Resources (HR) department at Thyrocare always ensure to hire fresh talents, help realise their potential and bestows right culture and capabilities amongst them. HR management at Thyrocare is meticulously handled so that the employee learns during the tenure, understands the organisational needs, and reports periodically on self-development. Continual development of each employee for skillset and knowledge enhancement is the focus of training activities. The Company encourage employee development and education to achieve the dual goal of operational perfection and personnel enhancement. It has ensured to set an excellent learning platform for each fresher associated with it.

The HR department also undertakes to source, train and develop resources as blood collection technicians, last mile executives. Over the long run, these resources are trained to be the Company's aggregators and online clients. In 2019-20, the Company added more than 300 employees to capture newer geographies and penetrate further to provide affordable diagnostic services to patients.

The Company has a thorough employment recruitment and screening processes. Over the last year, it has received 13,617 applications from prospective employees, interviewed 10,422 applicants, and extended offers of employment to 3,669. The Company has added 300 (net) employees in 2019-20, taking the total strength to 600 from 1,300 at the end of 2018-19.

The Company undertook proactive and strong measures during the pandemic to ensure safety of its employee. It offered and extended the privilege to work from home to more than 60% of employees in customer service, marketing and other departments, without compromising on the adherence to the customer satisfaction. For employees at field and laboratories, all necessary safety protocols were followed including providing personal protective kits, regular sanitsation of premises and following social distancing norms.

As Thyrocare since inception has ensured to recruit fresh talent, learning and training are an inevitable part of the career. The Company has separate training module for staff to learn various processes that are conducted through internal as well as external faculties. During 2019-20, the Company provided a total of 15,605 man hours of training to its employee. It also encouraged employees to pursue higher studies and qualification courses by funding for their education fees.

Additionally, the Company grants share-based benefits to eligible employees to attract and retain the best talent, motivate employees to excel in their performance, and ensure their participation as owners to articulate growth.

Financial Performance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (hereinafter referred to as the 'Ind AS') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on May 23, 2020.

I. Standalone Financial Performance

The management discussion and analysis given below relate to the audited standalone financial statements of Thyrocare. The discussion should be read in conjunction with the financial statements and related notes to the financial statements for the year ended March 31, 2020.

Summary

Revenue from operations aggregated to ₹ 400,00 crore in 2019-20 as compared to ₹ 370.28 crore in 2018-19, registering a growth of 8%.

Earnings before interest, tax, depreciation and amortisation (EBITDA) aggregated to ₹ 165.39 crore in 2019-20 as compared to ₹ 147.67 crore in 2018-19, registering a growth of 12%.

Profit after tax and after exceptional items (PAT) aggregated to ₹ 79.32 crore in 2019-20 as compared to ₹ 95.23 crore in 2018-19.

Total Assets after net off of current liabilities aggregated to ₹ 378.23 crore in 2019-20 as compared to ₹ 455.78 crore in 2018-19.

Dividend

Thyrocare has determined that as a matter of policy, the net cash surplus after providing for tax, capital expenditure expected to be incurred during the next financial year, and any other anticipated requirement of funds, may be distributed among the shareholders as dividend for the financial year concerned. After considering the current pandemic situation and thereby short term impact on the businesses, the Board of Directors have recommended to conserve the resources of the Company, thereby they have not recommended any final dividend for the 2019-20.

The following table provides the details of the standalone financial performance of Thyrocare –

	Fiscal 2020			Fiscal 2019	
		% of Income	% growth compared to Fiscal 2019		% of Income
Income from Operations	**400.00**	**100.00**	**8.03**	370.28	100.00
Expenses					
Cost of Materials consumed/ traded	112.34	28.08	6.67	105.32	28.44
Employee benefits expense	45.75	11.44	12.94	40.51	10.94
Other expenses	76.52	19.13	-0.34	76.78	20.74
Total Expenses	**234.61**	**58.65**	**5.39**	**222.61**	**60.12**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	165.39	41.35	12.00	147.67	39.88
Other income (net) excluding dividend & income from current investments	5.70	1.42	(40.08)	9.51	2.57
Dividend & income from current investments	4.78	1.20	15.22	4.15	1.12
Depreciation and amortization expense	19.54	4.88	35.04	14.47	3.91
Profit before exceptional item and tax	**156.33**	**39.08**	**6.45**	**146.86**	**39.66**
Exceptional Items	(44.33)	-11.08		-	0.00
Profit before tax (PBT)	**112.00**	**28.00**	**(23.74)**	**146.86**	**39.66**
Tax expense	32.68	8.17	(36.70)	51.63	13.94
Profit for the year (PAT)	**79.32**	**19.83**	**(16.71)**	**95.23**	**25.72**

Revenue from operations

Revenue from operations increased from ₹ 370.28 crore in 2018-19 to ₹ 400,00 crore in 2019-20, registering a growth of 8% (12% in 2018-19).

The decline was mainly due to the sudden slowed down of business in March 2020 due to pandemic and complete stoppage in other states due to lockdown, particularly in last 15 days. This has impacted the topline. The volume have grown by 2% and number of investigations performed during the current fiscal grew by 9%.

Expenses

Cost of material consumed

	Fiscal 2020			Fiscal 2019	
		% of reven. from diagn. services	% growth compared to Fiscal 2019		% of reven. from diagn. services
Cost of materials consumed					
Opening stock	15.26			16.43	
Add: Purchases	113.02			102.08	
	128.28			**118.51**	
Less: Closing stock	18.11			15.26	
Cost of material consumed [A]	**110.17**	**27.75**	**6.70**	**103.25**	**28.05**
Material consumed comprises:					
Reagents/ Diagnostics material	100.26	25.25		94.71	25.73
Consumables	9.91	2.50		8.54	2.32
	110.17	**27.75**		**103.25**	**28.05**

Cost of material consumed increased from ₹ 103.25 crore in 2018-19 to ₹ 110.17 crore in 2019-20 and its proportion to revenue from diagnostic services was 27.75% (28.05% in 2018-19). It includes the cost of reagents, diagnostic materials and other consumables instrumental for processing sample. The cost of material consumed to diagnostic services has reduced marginally on account of discounts availed and increase in high margin tests performed.

Cost of material traded

	Fiscal 2020			Fiscal 2019	
		% of reven. from sale	% growth compared to Fiscal 2019		% of reven. from sale
Purchase of stock-in-trade					
Glucose strips/ Gluco meter	2.25			2.33	
	2.25			**2.33**	
Changes in inventories of stock-in-trade					
Inventories at the end of the year:					
Glucose strips/ Gluco meter	0.38			0.30	
	0.38			**0.30**	
Inventories at the beginning of the year:					
Glucose strips/ Gluco meter	0.30			0.04	
	0.30			**0.04**	
Net change	**(0.08)**			**(0.26)**	
Cost of material traded [B]	**2.17**	**73.81**	**4.83**	2.07	95.83

Cost of material traded remained at ₹ 2.17 crore in 2019-20 compared to ₹ 2.07 crore in 2018-19. Its proportion to revenue from sale was about 74% (96% in 2018-19), mainly on account of better margins from sale of these products to the franchisees and dealers. Cost of material traded includes the sale of glucometers and strips.

Cost of Materials consumed/ traded

	Fiscal 2020			Fiscal 2019	
		% of reven. from sale	% growth compared to Fiscal 2019		% of reven. from sale
Cost of Materials consumed/ traded [A]+[B]	**112.34**	**28.08**	**6.67**	105.32	28.44

The overall cost of material consumed/ traded has increased from ₹ 105.32 crore in 2018-19 to ₹ 112.34 crore in 2019-20. The cost of material consumed/ traded to income from operations was 28.08% (28.44% in 2018-19).

Employee benefits expense

	Fiscal 2020		Fiscal 2019	
		% of Income		% of Income
Salaries, wages and bonus	35.75	8.94	31.70	8.56
Contributions to provident and other funds	3.29	0.82	3.26	0.88
Employees stock compensation expense	2.00	0.50	1.93	0.52
Gratuity	0.53	0.13	0.44	0.12
Compensated absences	2.21	0.55	1.62	0.44
Staff welfare expenses	1.97	0.49	1.56	0.42
	45.75	**11.44**	**40.51**	**10.94**

Total employee benefits expenses increased to ₹ 45.75 crore in 2019-20 as compared to ₹ 40.51 crore in 2018-19. The employee benefits expenses as percentage of income from operations increased by 55 basis points to11.44% in 2019-20 as compared to 10.94% in 2018-19. The increase has been on account of Company's focus on hiring employees at entry level to concentrate on B2B business and customer interaction.

Other expenses

	Fiscal 2020		Fiscal 2019	
		% of Income		% of Income
Service charges	22.57	5.64	15.06	4.07
Rent	0.59	0.15	12.07	3.26
Sales incentive	17.49	4.37	12.28	3.32
Business promotion	5.03	1.26	5.71	1.54
Advertisement expenses	0.55	0.14	4.91	1.33
Power and fuel and water	6.33	1.58	5.70	1.54
Printing and stationery	2.60	0.65	2.83	0.76
Postage and courier	2.85	0.71	3.29	0.89
Others	18.52	4.63	14.93	4.03

Other expenses as percentage of revenue decreased marginally from 20.74% in 2018-19 to 19.13% in 2019-20.

Earnings before interest, tax, depreciation and amortisation (EBITDA)

In 2019-20, the EBITDA was ₹ 165.39 crore (41.35% of income from operations) as compared to ₹ 147.67 crore (39.88% of income from operations) in 2018-19. The normalised EBITDA after adjusting for CSR, provision for bad and doubtful debts and IndAS 116 adjustment was ₹ 168.41 crore (42%) as compared to ₹ 154.28 crore (42%) in 2018-19.

Other income (net)

	Fiscal 2020		Fiscal 2019	
		% of Income		% of Income
Net gain on investments	4.78	1.16	4.15	1.08
Technical assistance/ trade mark assignment fees	1.06	0.26	1.02	0.27
Interest income	2.85	0.69	3.47	0.90
Others	1.80	0.44	5.02	1.31
	10.48	**2.55**	**13.66**	**3.56**

Depreciation and amortisation

Depreciation and amortisation increased from ₹ 14.47 crore in 2018-19 (3.91% of income from operations) to ₹ 19.54 crore in 2019-20 (4.88% of income from operations).

The Company has adopted Indian Accounting Standard 116 - Leases ("Standard"), with effect from April 1, 2019 using the modified retrospective method under the transitional provisions of the Standard and accordingly the financial results for the year ended March 31, 2019 have not been adjusted. Also, the Company recognised right of use assets and equivalent lease liability as on April 1, 2019.

The effect of implementing the Standard on profit and loss during the year ended March 31, 2020 is as under:

Accounting head (₹ in crore)	**Year ended March 31, 2020 (Audited)**
Depreciation and amortisation expense is higher by	4.05
Finance cost is higher by	1.03
Cost of materials consumed is lower by	(1.86)
Other expenses are lower by	(2.70)
Other income is lower by	(0.17)

Profit before tax (PBT)

In 2019-20, PBT was ₹ 112.00 crore, after adjusting for one-off exceptional item due to impairment in the value of investment in subsidiary of ₹ 44.33 crore (₹ 146.86 crore in 2018-19). As a percentage of income from operations, PBT was at 28% in 2019-20 (40% in 2018-19).

Tax expense

Tax expense reduced substantially to ₹ 32.68 crore in 2019-20 from ₹ 51.63 crore in 2018-19 mainly on account reduction in the rate of corporate tax.

Profit for the year (PAT)

The net profit in 2019-20 was ₹ 79.32 crore (20% of income from operations) as compared to ₹ 95.23 crore (26% of income from operations) in 2018-19.

Financial Position – Standalone

Share capital

In crore of INR

		31 March 2020		31 March 2019	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	Authorised				
	Equity shares of ₹ 10 each with equal voting rights	100,000	1,000.00	100,000	1,000.00
(b)	Issued, subscribed and paid-up				
	Equity shares of ₹ 10 each with equal voting rights	52,836	52.84	52,799	52.80
	Total	**52,836**	**52.84**	**52,799**	**52.80**

The Company has a single class of equity shares of par value of ₹ 10/- each. The authorised share capital stood at ₹ 100 crore, divided into 10 crore equity shares of ₹ 10/- each. The issued, subscribed and paid up capital stood at ₹ 52.84 crore as at March 31, 2020. During the current fiscal the Company has issued equity shares to eligible employees on conversion of stock options granted to employees.

The Company has issued share options plan for its employees, the details of the options granted as at March 31, 2020 are provided under the notes to the Standalone Financial Statement in the Annual Report.

Reserves and surplus

Reserves and surplus as at March 31, 2020 were ₹ 325.39 crore (₹ 402.98 crore as at March 31, 2019).

Capital reserve

Capital reserve as at March 31, 2020 amounted to ₹ 30.25 crore (₹ 30.25 crore as at March 31, 2019). Capital reserve represents the premium received in business combinations and the shareholder's contribution for consideration other than cash.

Securities premium account

Securities premium as at March 31, 2020 amounted to ₹ 67.24 crore (₹ 65.08 crore as at March 31, 2019) after adjustment on account of transfer of accumulated balance in stock option premium after exercise of stock options and adjustment towards equity shares bought back at premium. Securities premium represents the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The Company has established various equity-settled share-based payment plans for certain categories of employees. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised.

The balance as at March 31, 2020 was ₹ 3.72 crore (₹ 3.88 crore as at March 31, 2019), after adjustment on account of transfer of accumulated balance in stock option premium after exercise of stock options.

General reserve

General reserve as at March 31, 2020 were ₹ 9.17 crore, which was the same as per the previous year.

Capital redemption reserve

The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share, during the previous fiscal. The equity shares bought back were extinguished on October 12, 2018 and October 22, 2018 and as per the provisions of the Companies Act, 2013. The Capital redemption reserve is used to record the reduction of the share capital of the Company on account of equity shares bought back out of the accumulated profits. It is created in accordance with the provisions of the Companies Act, 2013.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2020 was ₹ 214.05 crore (₹ 293.64 crore as at March 31, 2019) after appropriation towards dividend on equity shares and tax on dividend.

Non-current liabilities

In crore of INR

	Financial liabilities		Provisions		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial liabilities						
Lease liabilities	5.53	-	-	-	5.53	-
Others	-	1.06	-	-	-	1.06
	5.53	**1.06**	**-**	**-**	**5.53**	**1.06**
Other than financial liabilities						
Provision for employee benefits:						
Provision for compensated absences	-	-	6.00	4.94	6.00	4.94
Provision for gratuity	-	-	1.88	1.55	1.88	1.55
	-	**-**	**7.88**	**6.49**	**7.88**	**6.49**
Total non-current liabilities	**5.53**	**1.06**	**7.88**	**6.49**	**13.41**	**7.55**

Total non-current liabilities increased to ₹ 13.41 crore as at March 31, 2020 (₹ 7.55 crore as at March 31, 2019). The increase was mainly on account of recognition of lease liabilities on transition to IndAS 116.

Current liabilities

In crore of INR

	Trade payables		Financial liabilities		Provisions		Others		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial liabilities										
Trade payables	19.17	5.37	-	-	-	-	-	-	19.17	5.37
Lease liabilities	-	-	3.67	-	-	-	-	-	3.67	-
Security deposits received	-	-	8.73	7.03	-	-	-	-	8.73	7.03
Employees dues	-	-	5.07	3.94			-	-	5.07	3.94
Unclaimed dividend	-	-	0.07	0.03			-	-	0.07	0.03
Creditors for capital goods	-	-	5.86	1.26			-	-	5.86	1.26
	19.17	**5.37**	**23.40**	**12.26**	**-**	**-**	**-**	**-**	**42.57**	**17.63**
Other than financial liabilities										
Provision for employee benefits:										
Provision for compensated absences	-	-	-	-	0.95	0.61	-	-	0.95	0.61
Provision for gratuity	-	-	-	-	0.03	0.02	-	-	0.03	0.02
Current tax liabilities (net)	-	-	-	-	-	-	0.75	1.01	0.75	1.01
Contract liabilities	-	-	-	-	-	-	4.69	4.54	4.69	4.54
Advance received towards consideration for sale of capital assets held for sale	-	-	-	-	-	-	0.94	-	0.94	-
Statutory dues	-	-	-	-	-	-	0.82	0.71	0.82	0.71
	-	**-**	**-**	**-**	**0.98**	**0.63**	**7.20**	**6.26**	**8.18**	**6.89**
Total current liabilities	**19.17**	**5.37**	**23.40**	**12.26**	**0.98**	**0.63**	**7.20**	**6.26**	**50.75**	**24.52**

Total current liabilities increased to ₹ 50.75 crore as at March 31, 2020 (₹ 24.52 crore as at March 31, 2019).

The increase was mainly on account of –

- Increase in expenses/ dues outstanding and payable as at the end of the financial year, due to sudden lockdown imposed in the last week of March 2020.
- Recognition of lease liabilities on transition to IndAS 116.
- Advances received from customers against which services were provided in the next fiscal, due to restrictions imposed on account of lockdown.
- Increase in provision for bonus, gratuity and leave encashment due to employees.

Property, plant and equipment, capital work-in-progress and investment property

The additions to gross block in 2019-20 were:

- Plant and equipment ₹ 7.02 crore (₹ 12.29 crore in 2018-19)
- Furniture and fixtures ₹ 2.05 crore (₹ 4.64 crore in 2018-19)
- Vehicles ₹ 0.07 crore (₹ 0.19 crore in 2018-19)
- Office equipment ₹ 1.03 crore (₹ 1.60 crore in 2018-19)
- Computer, printer and scanner ₹ 1.06 crore (₹ 1.03 crore in 2018-19)

The capital work in progress on account of tangible assets was ₹ 3.87 crore as at March 31, 2020 (₹ 1.28 crore as at March 31, 2019).

A portion of the leasehold land and building was reclassified as investment property.

During the year ended March 31, 2020, the Company has reclassified certain building premises to assets held for sale. While the Company has already received advances towards sale consideration for building premises, due to enforcement of COVID-19 pandemic related national lockdown the procedural formalities for effecting the transfer could not be completed before March 31, 2020. The sale of these assets is expected to be completed by March 31, 2021.

The Company has applied Ind AS 116 Leases, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 are disclosed separately.

Intangible assets and intangible assets under development

The additions to gross block in 2019-20 were:

- Computer softwares – ₹ Nil (₹ 0.30 crore in 2018-19)

Investment in associate

The Company owns 30% stake in Equinox Labs Private Limited (‘Equinox’) for a total purchase consideration of ₹ 20 crore. The equity shareholding in Equinox is disclosed under Investment in associate as at March 31, 2020.

Non-current assets

In crore of INR

	Investments		Loans		Others		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial assets								
Investment in subsidiary	150.34	194.67	-	-	-	-	150.34	194.67
Loans to subsidiary	-	-	16.15	39.00	-	-	16.15	39.00
Security deposits	-	-	1.71	2.04	-	-	1.71	2.04
Bank balance in deposit accounts	-	-	-	-	2.82	-	2.82	-
Receivables for sub-leases	-	-	-	-	0.57	-	0.57	-
	150.34	**194.67**	**17.86**	**41.04**	**3.39**	**-**	**171.59**	**235.71**
Other than financial assets								
Deferred tax assets	-	-	-	-	11.64	1.62	11.64	1.62
Other tax assets	-	-	-	-	8.33	7.11	8.33	7.11
Capital advances	-	-	-	-	-	0.13	-	0.13
Prepaid expenses	-	-	-	-	0.27	0.25	0.27	0.25
Balance with government authorities	-	-	-	-	1.48	1.48	1.48	1.48
	-	**-**	**-**	**-**	**21.72**	**10.59**	**21.72**	**10.59**
Total non-current assets	**150.34**	**194.67**	**17.86**	**41.04**	**25.11**	**10.59**	**193.31**	**246.30**

Investment in subsidiary

The Company assessed the recoverable amount of investment in the wholly owned subsidiary Nueclear Healthcare Limited as at March 31, 2020 as the higher of Fair Value less Cost of Disposal (the 'FVCOD') and the Value in Use (the 'VIU'). This was done in view of the accumulated business losses since inception and also considering the changes in the market conditions and business environment in India including the outbreak of COVID-19 pandemic and effects thereof in the foreseeable future. This has resulted in an impairment charge of ₹ 44.33 crore being recognised as exceptional charge for the year ended March 31, 2020.

The Company continues to assess and endeavours to take appropriate steps to optimise Nueclear's profitability while combating the potential impacts of COVID-19 pandemic.

The recoverable amount was determined based on VIU by using a discount rate of 14.73%.

Current assets

In crore of INR

	Investments		Inventories		Trade receivables		Loans		Cash and bank balance		Others		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial assets														
Investments in Mutual Funds (Quoted) measured at FVTPL	69.03	74.64	-	-	-	-	-	-	-	-	-	-	**69.03**	74.64
Inventories	-	-	18.49	15.56	-	-	-	-	-	-	-	-	**18.49**	15.56
Trade receivables	-	-	-	-	15.19	11.06	-	-	-	-	-	-	**15.19**	11.06
Cash and bank balance	-	-	-	-	-	-	-	-	4.88	4.33	-	-	**4.88**	4.33
Other bank balances	-	-	-	-	-	-	-	-	2.42	4.72	-	-	**2.42**	4.72
Security deposits	-	-	-	-	-	-	0.61	0.04	-	-	-	-	**0.61**	0.04
Loans and advances to employees	-	-	-	-	-	-	0.05	0.03	-	-	-	-	**0.05**	0.03
Receivables for sub-leases	-	-	-	-	-	-	-	-	-	-	0.14	-	**0.14**	-
Interest accrued on deposits	-	-	-	-	-	-	-	-	-	-	0.01	0.21	**0.01**	0.21
	69.03	**74.64**	**18.49**	**15.56**	**15.19**	**11.06**	**0.66**	**0.07**	**7.30**	**9.05**	**0.15**	**0.21**	**110.82**	**110.59**
Other than financial assets														
Advances for supply of goods and services	-	-	-	-	-	-	-	-	-	-	-	-	**1.66**	0.58
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-	**0.79**	0.84
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.45**	**1.42**
Total current assets	**69.03**	**74.64**	**18.49**	**15.56**	**15.19**	**11.06**	**0.66**	**0.07**	**7.30**	**9.05**	**0.15**	**0.21**	**113.27**	**112.01**

Inventories

Inventories as a percentage of income from operations were at 5% as at March 31, 2020 compared to 4.2% as at March 31, 2019. Inventories comprises of reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable as a percentage of income from operations were at 4.1% as at March 31, 2020 compared to 3% as at March 31, 2019. Trade receivable includes recoverable from related parties of ₹ 3.60 crore as at March 31, 2020 (₹ 3.18 crore as at March 31, 2019).

Cash and bank balances

Cash and bank balances were ₹ 7.30 crore as at March 31, 2020 (₹ 9.05 crore as at March 31, 2019).

Cash Flow – Standalone

Thyrocare's business generates cash from operations every year that is sufficient to manage the working capital and capital expenditure requirements. As per the dividend policy, the net cash surplus after providing for tax, capital expenditure expected to be incurred during the next financial year, and any other anticipated requirement of funds, the surplus cash may be distributed among the shareholders as dividend for the financial year concerned. Thyrocare has not availed any credit/ overdraft facility from any of the bank since its inception.

Summary of cash flow statement is given below -

In crore of INR

	Fiscal 2020	Fiscal 2019
Net cash flows from / (used in) :		
Operating activities	136.33	96.56
Investing activities	26.84	(3.30)
Financing activities	(162.65)	(96.14)
Net (Decrease)/ Increase in Cash and cash equivalent	**0.52**	**(2.88)**

Cash flow from operating activities -

In crore of INR

	Fiscal 2020	Fiscal 2019
Operating profit before working capital changes	172.09	155.84
Adjustment for increase in working capital	8.49	2.19
Net income tax paid	(44.25)	(61.47)
Net cash flows from operating activities	**136.33**	**96.56**

In 2019-20, Thyrocare generated net cash flows of ₹ 136.33 crore (₹ 96.56 crore in 2018-19) from operating activities. This is attributable to:

- Increase in operating profit before working capital changes to ₹ 172.09 crore in 2019-20 (₹ 152.84 crore in 2018-19)
- Increase in cash flow from working capital to ₹ 8.49 crore in 2019-20 (₹ 2.19 crore in 2018-19). This, however, is temporary on account of lockdown imposed
- Decrease in taxes paid to ₹ 44.25 crore in 2019-20 (₹ 61.47 crore in 2018-19)

Cash flows from investing activities

In crore of INR

	Fiscal 2020	Fiscal 2019
Property, plant and equipment, additions to capital work in progress and capital advances (net)	(8.98)	(20.36)
Proceeds from sale of property, plant and equipment	0.02	1.34
Proceeds from liquidation of non current investments	0.03	-
Current investments (net)	10.06	28.17
Dividend received	0.34	1.44
Repayment / (Payment) of loans by/ to subsidiary	22.85	(14.500
Lease payments received from sub-leases	0.09	-
Bank deposits	(0.56)	(2.65)
Interest received/ paid (net)	2.99	3.26
Net cash (used in) investing activities	**26.84**	**(3.30)**

In 2019-20, cash generated from investing activities was ₹ 26.84 crore (₹ 3.30 crore cash used in 2018-19).

This is primarily attributable to:

- Purchase of Property, plant and equipment (net) of ₹ 8.98 crore in 2019-20 (₹ 20.36 crore in 2018-19)
- Repayment of loan by subsidiary of ₹ 22.85 crore in 2019-20 (₹ 14.50 crore loan paid in 2018-19)
- Liquidation of current investment of ₹ 10.06 crore 2019-20 (₹ 28.17 crore in 2018-19)

Cash flows from financing activities

In crore of INR

	Fiscal 2020	Fiscal 2019
Proceeds from issue of equity shares	0.04	0.04
Equity shares bought back	-	(63.00)
Buyback of share/ share issue expenses	-	(0.78)
Payment towards lease liabilities	(3.69)	-
Dividend paid on equity shares	(131.96)	(26.87)
Tax paid on dividend	(27.04)	(5.53)
Net cash (used in) financing activities	**(162.65)**	**(96.14)**

The payment of dividend in 2019-20 was ₹ 159.00 crore including dividend tax (₹ 32.40 crore in 2018-19).

II. Consolidated Financial Performance

The Consolidated Financial Statements relate to Thyrocare Technologies Limited and its subsidiary Nueclear Healthcare Limited, in which the Company has 100% equity holding as on March 31, 2020 (herein after referred to as the "**Group**").

These consolidated Ind AS financial statements (hereinafter referred to as 'consolidated financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Summary

Revenue from operations of Group aggregated to ₹ 433.20 crore in 2019-20 as compared to ₹ 402.91 crore in 2018-19, registering a growth of 8%.

Earnings before interest, tax, depreciation and amortisation (EBITDA) of Group aggregated to ₹ 170.66 crore in 2019-20 as compared to ₹ 153.62 crore in 2018-19, registering a growth of 11%.

Profit after tax and after exceptional items (PAT) of Group aggregated to ₹ 88.41 crore in 2019-20 as compared to ₹ 85.14 crore in 2018-19.

Total Assets of Group after net off of liabilities aggregated to ₹ 366.66 crore in 2019-20 as compared to ₹ 435.12 crore in 2018-19.

The following table provides the details of the consolidated financial performance of Group:

	Fiscal 2020			Fiscal 2019	
		% of Income	% growth compared to Fiscal 2019		% of Income
Income from Operations	**433.20**	**100.00**	**7.52**	402.91	100.00
Expenses					
Cost of Materials consumed/ traded	117.09	27.03	5.94	110.53	27.43
Employee benefits expense	48.92	11.29	12.85	43.35	10.76
Other expenses	96.53	22.28	1.17	95.41	23.68
Total Expenses	**262.54**	**60.60**	**5.32**	249.29	61.87
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**170.66**	**39.40**	**11.09**	153.62	38.13
Other income (net) excluding dividend & income from current investments	2.96	0.68	(48.97)	5.80	1.44
Dividend & income from current investments	4.78	1.10	15.18	4.15	1.03
Depreciation and amortisation expense	31.91	7.37	21.93	26.17	6.50
Profit before exceptional item and tax	**146.49**	**33.82**	**6.62**	137.40	34.10
Exceptional Items	(6.58)	-	-	-	-
Share of profit in associate entity	0.51	0.12		0.66	0.16
Profit before tax (PBT)	**140.42**	**32.41**	**1.71**	138.06	34.27
Tax expense	52.01	12.01	-1.72	52.92	13.13
Profit for the year (PAT)	**88.41**	**20.41**	**3.84**	85.14	21.13

Revenue from operations

Revenue from operations increased 8% from ₹ 402.91 crore in 2018-19 to ₹ 433.20 crore in 2019-20.

The decline was mainly due to a sudden slowed down in business during March 2020 due to pandemic with complete stoppage of business from other states due to lockdown, particularly in last 15 days of the fiscal. This impacted the topline. The volume has grown by 2% and number of investigations performed by 9% in 2019-20.

The Group has suffered set back in Radiology business due to suspension of operations at Surat and Baroda, on account of legal dispute with the partner. The tie-up entity was observed to be non-compliant with the terms and conditions of the arrangement, necessitating the Group to file legal case against them before the high court. Operation at Jaipur centre remained suspended due to dispute between the stakeholders of the tie-up entity.

Further, the Group has taken over the operations at Raipur centre due to inability of the partner to manage the scope of operations and the newly opened Bangalore and Coimbatore centres due to inability of partners to scale up quickly amidst local completion. The Group has already taken corrective measures to mitigate the challenges faced in radiology business.

Expenses

Cost of material consumed

	Fiscal 2020			Fiscal 2019	
		% of income from operations	% growth compared to Fiscal 2019		% of income from operations
Cost of materials consumed					
Opening stock	17.78			17.01	
Add: Purchases	117.38			109.23	
	135.16			**126.24**	
Less: Closing stock	20.24			17.78	
Cost of material consumed [A]	**114.92**	**26.53**	**5.96**	**108.46**	**26.92**
Material consumed comprises:					
Reagents/ Diagnostics material	100.26	23.14		94.71	23.51
Radiopharmaceuticals	1.39	0.32		1.46	0.36
Consumables	13.27	3.06		12.29	3.05
	114.92	**26.53**		**108.46**	**26.92**

The Cost of material consumed increased marginally from ₹ 108.46 crore in 2018-19 to ₹ 114.92 crore in 2019-20. The cost of material consumed to revenue from operations was 26.53% (26.92% in 2018-19). Cost of material consumed includes the cost of reagents, radiopharmaceuticals, diagnostic materials and other consumables instrumental to processing sample or manufacturing of radioactivity.

Cost of material traded

	Fiscal 2020			Fiscal 2019	
		% of income from operations	% growth compared to Fiscal 2019		% of income from operations
Purchase of stock-in-trade					
Glucose strips/ Gluco meter	2.25			2.33	
	2.25			**2.33**	
Changes in inventories of stock-in-trade					
Inventories at the end of the year:					
Glucose strips/ Gluco meter	0.38			0.30	
	0.38			**0.30**	
Inventories at the beginning of the year:					
Glucose strips/ Gluco meter	0.30			0.04	
	0.30			**0.04**	
Net change	**(0.08)**			**(0.26)**	
Cost of material traded [B]	**2.17**	**7.63**	**4.83**	**2.07**	**7.28**

The discussions about the cost of material traded is already included under the discussion on standalone financial statement of Thyrocare.

Cost of Materials consumed/ traded

	Fiscal 2020			Fiscal 2019	
		% of income from operations	% growth compared to Fiscal 2019		% of income from operations
Purchase of stock-in-trade	**117.09**	**27.03**	**5.94**	**110.53**	**27.43**

The overall Cost of material consumed/ traded thus has increased from ₹ 110.53 crore in 2018-19 to ₹ 117.09 crore in 2019-20. The cost of material consumed/ traded to income from operations was 27.03% (27.43% in 2018-19).

Employee benefits expense

	Fiscal 2020		Fiscal 2019	
		% of income from operations		% of income from operations
Salaries, wages and bonus	38.57	8.90	34.28	8.51
Contributions to provident and other funds	3.51	0.81	3.45	0.86
Employees stock compensation expense	2.00	0.46	1.93	0.48
Gratuity	0.55	0.13	0.45	0.11
Compensated absences	2.31	0.53	1.67	0.41
Staff welfare expenses	1.98	0.46	1.57	0.39
	48.92	**11.29**	**43.35**	**10.76**

Total employee benefits expenses increased from ₹ 43.35 crore in 2018-19 to ₹ 48.92 crore in 2019-20. The employee benefits expenses as percentage of income from operations were 11.29% in 2018-19 (10.76% in 2018-19).

Other expenses

	Fiscal 2020		Fiscal 2019	
		% of income from operations		% of income from operations
Service charges	22.57	5.21	15.06	3.74
Rent	1.19	0.27	13.05	3.24
Sales incentive	17.76	4.10	12.61	3.13
Legal and professional fees	11.41	2.63	11.30	2.80
Power and fuel and water	8.69	2.01	7.77	1.93
Advertisement expenses	0.72	0.17	5.66	1.40
Business promotion	5.03	1.16	5.71	1.42
Postage and courier	2.93	0.68	4.16	1.03
Printing and stationery	2.95	0.68	3.20	0.79
Repairs and maintenance - Machinery	6.81	1.57	3.98	0.99
Others	16.47	3.80	12.30	3.05

Other expenses as percentage of revenue decreased marginally from 23.68% in 2018-19 to 22.28% in 2019-20.

Earnings before interest, tax, depreciation and amortisation (EBITDA)

In 2019-20, EBITDA was ₹ 170.66 crore (39.4% of income from operations) as compared to ₹ 153.62 crore (38.1% of income from operations) in 2018-19. The normalised EBITDA after adjusting for CSR, provision for bad and doubtful debts and IndAS 116 adjustment was ₹ 173.18 crore (40%) in 2019-20 as compared to ₹ 160.37 crore (40%) in 2018-19.

Other income (net)

	Fiscal 2020		Fiscal 2019	
		% of Income		% of Income
Net gain on investments	4.78	1.08	4.15	1.01
Technical assistance/ trade mark assignment fees	1.06	0.24	1.02	0.25
Interest income	0.70	0.16	0.60	0.15
Others	1.19	0.27	4.18	1.01
	7.73	**1.75**	**9.95**	**2.41**

Depreciation and amortisation

Depreciation and amortisation increased from ₹ 26.17 crore in 2018-19 (6.50% of income from operations) to ₹ 31.91 crore in 2019-20 (7.37% of income from operations).

Profit before tax (PBT)

In 2019-20, PBT was ₹ 140.42 crore (₹ 138.06 crore in 2018-19).

Tax expense

Tax expense remained stagnant at ₹ 52.01 crore in 2019-20 as against ₹ 52.92 crore in 2018-19. There is one time reversal of deferred tax in the current fiscal.

Profit for the year (PAT)

The net profit in 2019-20 was ₹ 88.41 crore (20.41% of income from operations) as compared to ₹ 85.14 crore in 2018-19.

Financial Position – Consolidated

Share capital

In crore of INR

	31 March 2020		31 March 2019	
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a) Authorised				
Equity shares of ₹ 10 each with equal voting rights	1,00,000	1,000.00	1,00,000	1,000.00
(b) Issued, subscribed and paid-up				
Equity shares of ₹ 10 each with equal voting rights	52,833	52.84	52,796	52.79
Total	**52,833**	**52.84**	**52,796**	**52.79**

The Group has a single class of equity shares of par value of ₹ 10/- each. The authorised share capital of the Company stood at ₹ 100 crore, divided into 10 crore equity shares of ₹ 10/- each. The issued, subscribed and paid up capital stood at ₹ 52.84 crore as at March 31, 2020.

The Group has disclosed the issued, subscribed and paid-up capital net-off the equity shares held by the Employees Stock Option Trust. The Group has also issued shares on exercising of options by employees.

Reserves and surplus

Reserves and surplus as at March 31, 2020 were ₹ 313.82 crore (₹ 382.33 crore as at March 31, 2019).

Capital reserve

Capital reserve represent the premium received in business combinations and to record the shareholder's contribution for consideration other than cash. Capital reserve as at March 31, 2020 stood at ₹ 31.71 crore.

Securities premium account

Securities premium represent the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013. Securities premium as at March 31, 2020 stood at ₹ 67.24 crore.

Share option outstanding account

The Group has established various equity-settled share-based payment plans for certain categories of employees. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised.

The balance as at March 31, 2020 was ₹ 3.73 crore (₹ 3.89 crore as at March 31, 2019), after adjustment on account of transfer of accumulated balance in stock option premium after exercise of stock options.

General reserve

General reserve is used to record the transfer from retained earnings of the company. It is utilised in accordance with the provisions of the Companies Act, 2013. General reserve as at March 31, 2020 were ₹ 9.17 crore, which was the same as per the previous year.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2020 was ₹ 201.01 crore (₹ 271.52 crore as at March 31, 2019) after appropriation towards dividend on equity shares and tax on dividend.

Non-current liabilities

In crore of INR

Total non-current liabilities increased to ₹ 13.41 crore as at March 31, 2020 (₹ 7.55 crore as at March 31, 2019). The increase was mainly on account of recognition of lease liabilities on transition to IndAS 116.

	Borrowings		Security deposits		Lease liabilities		Provisions		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial liabilities										
Unsecured loans from related party	2.50	2.50	-	-	-	-	-	-	2.50	2.50
Security deposits	-	-	-	9.79	-	-	-	-	-	9.79
Lease liabilities	-	-	-	-	5.69	-	-	-	5.69	-
	2.50	**2.50**	**-**	**9.79**	**5.69**	**-**	**-**	**-**	**8.19**	**12.29**
Other than financial liabilities										
Provision for employee benefits:										
Provision for compensated absences	-	-	-	-	-	-	6.22	5.13	6.22	5.13
Provision for gratuity	-	-	-	-	-	-	1.94	1.59	1.94	1.59
	-	**-**	**-**	**-**	**-**	**-**	**8.16**	**6.72**	**8.16**	**6.72**
Total non-current liabilities	**2.50**	**2.50**	**-**	**9.79**	**5.69**	**-**	**8.16**	**6.72**	**16.35**	**19.01**

Total non-current liabilities decreased to ₹ 16.35 crore as at March 31, 2020 (₹ 19.01 crore as at March 31, 2019).

Current liabilities

In crore of INR

	Trade payables		Other financial liabilities		Provisions		Others		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial liabilities										
Trade payables	21.86	7.51	-	-	-	-	-	-	21.86	7.51
Lease liabilities	-	-	4.25	-	-	-	-	-	4.25	-
Security deposits received	-	-	10.65	0.27	-	-	-	-	10.65	0.27
Employees dues	-	-	5.41	4.29	-	-	-	-	5.41	4.29
Unclaimed dividend	-	-	0.08	0.03	-	-	-	-	0.08	0.03
Creditors for capital goods	-	-	6.04	1.26	-	-	-	-	6.04	1.26
	21.86	**7.51**	**26.43**	**5.85**	**-**	**-**	**-**	**-**	**48.29**	**13.36**
Other than financial liabilities										
Provision for employee benefits:	-	-	-	-						
Provision for compensated absences	-	-	-	-	0.98	0.64	-	-	0.98	0.64
Provision for gratuity	-	-	-	-	0.03	0.02	-	-	0.03	0.02
Current tax liabilities (net)	-	-	-	-	-	-	0.75	1.01	0.75	1.01
Contract liabilities	-	-	-	-	-	-	4.73	4.56	4.73	4.56
Advance received towards consideration for sale of capital assets held for sale	-	-	-	-	-	-	25.94	-	25.94	-
Statutory dues	-	-	-	-	-	-	0.97	1.00	0.97	1.00
	-	**-**	**-**	**-**	**1.01**	**0.66**	**32.39**	**6.57**	**33.40**	**7.23**
Total current liabilities	**21.86**	**7.51**	**26.43**	**5.85**	**1.01**	**0.66**	**32.39**	**6.57**	**81.69**	**20.59**

Total current liabilities increased to ₹ 81.69 crore as at March 31, 2020 (₹ 20.59 crore as at March 31, 2019).

The increase was mainly on account of:

- Increase in expenses/ dues outstanding and payable at the end of the financial year, due to sudden lockdown imposed in the last week of March 2020.
- Recognition of lease liabilities on transition to IndAS 116.
- Advances received from customers against which services were provided in the next fiscal, due to restrictions imposed on account of lockdown.
- Advance received towards consideration for sale of capital assets held for sale, the agreement whereof could not be executed due to lockdown.
- Increase in provision for bonus, gratuity and leave encashment due to employees.

Property, plant and equipment, capital work-in-progress and investment property

The additions to gross block in 2019-20 were:

- Plant and equipment ₹ 7.04 crore (₹ 29.66 crore in 2018-19)
- Furniture and fixtures ₹ 2.05 crore (₹ 6.18 crore in 2018-19)
- Vehicles ₹ 0.07 crore (₹ 0.19 crore in 2018-19)
- Office equipment ₹ 1.22 crore (₹ 2.17 crore in 2018-19)
- Computer, printer and scanner ₹ 1.07 crore (₹ 2.26 crore in 2018-19)

The capital work in progress on account of tangible assets was ₹ 4.93 crore as at March 31, 2020 (₹ 1.47 crore as at March 31, 2019).

A portion of the leasehold land and building was reclassified as investment property.

During the year ended March 31, 2020, the Group has reclassified certain building premises to assets held for sale. While the Group has already received advances towards sale consideration for building premises, due to enforcement of COVID-19 related lockdown the procedural formalities for effecting the transfer could not be completed before March 31, 2020. The sale of these assets is expected to be completed by March 31, 2021.

The Group has applied Ind AS 116 Leases, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 are disclosed separately.

Intangible assets and intangible assets under development

The additions to gross block in 2019-20 were:

- Computer softwares – ₹ Nil (₹ 0.30 crore in 2018-19)

Investment in associate

Thyrocare International Holding Company, an associate, incorporated in Republic of Mauritius, was in the process of liquidation and the process of liquidation has been completed during 2019-20.

Non-current assets

In crore of INR

	Loans		Others		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial assets						
Security deposits	4.26	4.19	-	-	4.26	4.19
Bank balance in deposit accounts	-	-	2.82	-	2.82	-
	4.26	**4.19**	**2.82**	**-**	**7.08**	**4.19**
Other than financial assets						
Deferred tax assets	-	-	0.48	5.14	0.48	5.14
Other tax assets	-	-	9.43	7.97	9.43	7.97
Capital advances	-	-	1.00	1.13	1.00	1.13
Prepaid expenses	-	-	0.27	0.24	0.27	0.24
Balance with government authorities	-	-	1.48	1.48	1.48	1.48
Advances for supply of goods	-	-	2.15	2.12	2.15	2.12
	-	**-**	**14.81**	**18.08**	**14.81**	**18.08**
Total non-current assets	**4.26**	**4.19**	**17.63**	**18.08**	**21.89**	**22.27**

Current assets

In crore of INR

	Investments		Inventories		Trade receivables		Cash and bank balance		Others		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Financial assets												
Investments in Mutual Funds (Quoted) measured at FVTPL	69.03	74.64	-	-	-	-	-	-	-	-	69.03	74.64
Inventories			20.62	18.08							20.62	18.08
Trade receivables	-	-	-	-	16.56	12.16					16.56	12.16
Cash and bank balance	-	-	-	-	-	-	8.71	4.91	-	-	8.71	4.91
Other bank balances	-	-	-	-	-	-	2.36	4.69	-	-	2.36	4.69
Security deposits	-	-	-	-	-	-	-	-	0.66	0.07	0.66	0.07
Other receivables	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02
Interest accrued on deposits	-	-	-	-	-	-	-	-	0.02	0.21	0.02	0.21
	69.03	**74.64**	**20.62**	**18.08**	**16.56**	**12.16**	**11.07**	**9.60**	**0.70**	**0.30**	**117.98**	**114.78**
Other than financial assets												
Advances for supply of goods and services	-	-	-	-	-	-	-	-	2.16	1.59	2.16	1.59
Prepaid expenses	-	-	-	-	-	-	-	-	0.97	0.89	0.97	0.89
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3.13**	**2.48**	**3.13**	**2.48**
Total current assets	**69.03**	**74.64**	**20.62**	**18.08**	**16.56**	**12.16**	**11.07**	**9.60**	**3.83**	**2.78**	**121.11**	**117.26**

Inventories

Inventories as a percentage of income from operations were at 4.76% as at March 31, 2020 compared to 4.49% as at March 31, 2019. Inventories comprises of reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable as a percentage of income from operations were at 3.82% as at March 31, 2020 compared to 3.02% as at March 31, 2019. Trade receivable includes recoverable from related parties of ₹ 4.53 crore as at March 31, 2020 (₹ 3.18 crore as at March 31, 2019).

Cash Flow – Consolidated

The Group's business generates cash from operations every year that is sufficient to manage the working capital and capital expenditure requirements. The Group has not availed any credit/ overdraft facility from any of the bank since its inception.

Summary of cash flow statement is given below

In crore of INR

	Fiscal 2020	Fiscal 2019
Net cash flows from / (used in) :		
Operating activities	167.63	100.31
Investing activities	0.95	(11.59)
Financing activities	(164.78)	(93.63)
Net (Decrease)/ Increase in Cash and cash equiv.	**3.80**	**(4.91)**

Cash flow from operating activities

In crore of INR

	Fiscal 2020	Fiscal 2019
Operating profit before working capital changes	178.62	161.57
Adjustment for increase in working capital	33.52	(0.65)
Net income tax paid	(44.51)	(60.61)
Net cash flows from operating activities	**167.63**	**100.31**

In 2019-20, the Group generated net cash flows of ₹ 167.63 crore (₹ 100.31 crore in 2018-19) from operating activities. This is attributable to:

- Increase in operating profit before working capital changes to ₹ 178.62 crore in 2019-20 (₹ 161.57 crore in 2018-19);
- Decrease in taxes paid to ₹ 44.51 crore in 2019-20 (₹ 60.61 crore in 2018-19), due to reduction in corporate tax rates.

Cash flows from investing activities

In crore of INR

	Fiscal 2020	Fiscal 2019
Property, plant and equipment, additions to capital work in progress and capital advances (net)	(9.90)	(40.25)
Proceeds from sale of property, plant and equipment	0.02	1.34
Proceeds from liquidation of non current investments	0.03	
Current investments (net)	10.06	28.18
Dividend received	0.34	1.44
Bank deposits	(0.50)	(2.65)
Interest received/ paid (net)	0.90	0.35
Net cash (used in) investing activities	**0.95**	**(11.59)**

In 2019-20, cash generated from investing activities was ₹ 0.95 crore (₹ 11.59 crore used in 2018-19).

This was primarily attributable to:

- Purchase of Property, plant and equipment (net) ₹ 9.90 crore in 2019-20 (₹ 40.25 crore in 2018-19);
- Liquidation of current investment of ₹ 10.06 crore in 2019-20 (₹ 28.18 crore in 2018-19).

Cash flows from financing activities

In crore of INR

	Fiscal 2020	Fiscal 2019
Proceeds from issue of equity shares	0.04	0.04
Equity shares bought back	-	(63.00)
Buyback of share/ share issue expenses	-	(0.78)
Unsecured loans from related party	-	2.50
Payment towards lease liabilities	(5.65)	
Dividend paid on equity shares	(131.96)	(26.86)
Tax paid on dividend	(27.04)	(5.52)
Interest paid	(0.17)	(0.01)
Net cash (used in) financing activities	**(164.78)**	**(93.63)**

The payment of dividend in 2019-20 was ₹ 159 crore including dividend tax (₹ 32.38 crore in 2018-19).

III. Segment performance

The Group has identified diagnostic testing services and imaging services as its primary business segments. Revenue and expenses directly attributable to segments are reported under each reportable primary segment. The following table presents summary of revenue by industry segments.

In crore of INR

	Segment revenue		(% aggregate revenue)		
	Fiscal 2020	Fiscal 2019	Fiscal 2020	Fiscal 2019	% Growth
Diagnostic Testing Services	397.05	368.11	91.47	91.36	8
Imaging Services	34.09	32.64	7.85	8.10	4
Others	2.94	2.16	0.68	0.54	36
	434.08	**402.91**	**100.00**	**100.00**	**8**

In 2019-20, the revenue from diagnostic testing services contributed the largest share to revenue (91.47%) and grew 8% over the previous year.

IV. Related Party Transaction

These have been discussed in detail in the Notes to the Standalone Financial Statements in the Annual Report.

V. Key financial ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirement 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios.

The Company has identified the following ratios as the key financial ratios :

In crore of INR

Particulars	Standalone		Consolidated	
	Fiscal 2020	Fiscal 2019	Fiscal 2020	Fiscal 2019
Revenue growth (%)	8.0	11.6	7.5	13.1
EBIDTA margin (%)	41.3	39.9	39.4	38.1
Net profit margin (%)	19.8	25.7	20.41	21.13
Price / Earnings (times)	NA	NA	29.7	33.3
Basic EPS (₹)	15.0	17.8	16.7	16.0
Liquid cash as a % of revenue from operations	19.1	22.6	18.5	20.9
Return on net worth	21.0	20.9	24.1	19.6
Return on capital employed (ROCE)$	197.5	122.8	105.90	62.90
Market capitalisattion to revenue from operations (₹)	NA	NA	6.1	7.0

$ RoCE = Profit before exceptional items and tax / (Tangible assets/ Investment property & assests held for sale + Capital work-in-progress + Inventories + Trade receivables + Short term financial assets + Other current assets – Current liabilities)

8. Outlook, risks and concerns

This section lists forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with respect to, but not limited to, regulatory changes pertaining to the industry in India in which the Company operates and its ability to respond to them, the ability to successfully implement business strategy, growth and expansion, technological changes, the Company's exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation or deflation, unanticipated turbulence in any or all of interest rates or foreign exchange rates or both, equity prices and other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in the competitive environment.

Certain important factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, the following:

- In ability to respond to the highly-competitive and fragmented industry scenario;
- negative publicity or other harm to reputation, brand or customer perception of brand;
- disruption in operations of any laboratories or offerings of particular tests;
- delay or interruption in transportation of samples to the laboratory and regional processing laboratories and dependence on hub-and-spoke business model complemented by the regional processing laboratories;
- failure to attract and retain authorised service providers;
- failure of equipment, information technology and other technological systems;
- changes in technologies and/or the introduction of new technology that could reduce demand for its pathology testing services;
- operational risk associated with molecular imaging business; and
- Changing laws, rules, regulations and government policies.

9. Internal control systems and their adequacy

The CEO and CFO certification provided in pages XX and XX respectively of this Annual Report discusses the adequacy of the Company's internal control systems and procedures.

Business Responsibility Report

[See Regulation 34(2)(f)]

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L85110MH2000PLC123882
2.	Name of the Company	Thyrocare Technologies Limited
3.	Registered Address	D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400703.
4.	Website	www.thyrocare.com
5.	E-mail id	investor_relations@thyrocare.com
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Independent Diagnostic Laboratories - NIC Code: 86095
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	(i) Diagnostic Services. (ii) Sale of Glucose Strips, Glucometer, vials & kits
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	None
	(b) Number of National Locations	The Company has a Central Processing Laboratory at Navi Mumbai and eleven Regional Processing Laboratories in New Delhi, Coimbatore, Hyderabad, Kolkata, Bhopal, Bangaluru, Mumbai, Patna, Chennai, Pune, and Bhubaneswar.
10.	Markets served by the Company – Local/State/ National/International	National.

Section B: Financial Details of the Company

1.	Paid up Capital (INR)	52.84 Crore
2.	Total Turnover (INR)	400.00 Crore
3.	Total profit after taxes (INR)	79.32 Crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	5.00%
5.	List of activities in which expenditure in 4 above has been incurred:-	i) Financial Assistance to poor children for education
		ii) Donation to blind organization of India
		iii) Pension to old age people
		iv) Distribution of Rain coats to flood victims and other needy persons.
		v) Donation of books to School Libraries in aided schools.
		vi) Covid-19 related programmes, like distribution of food packets, sanitizers, hand-shields, etc.,to migrants, security & para-medical personnel, and creating awareness of Do's and Don'ts, through media, etc.

SECTION C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	Yes. The Company has a wholly-owned subsidiary, viz. Nueclear Healthcare Limited.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)	Yes. The subsidiary company participates in the BR initiatives of the Company by following the basic principles and practices of the Parent company, to the extent applicable.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities. [Less than 30%, 30-60%, More than 60%]	The Company encourages adoption of BR initiatives by its Business Associates to the extent feasible.

SECTION D: BR Information

1. Details of Director/Directors responsible for BR			
(a) Details of the Directors responsible for implementation of the BR policy / policies			
1. DIN Number		00002804	00003260
2. Name		Dr. A. Velumani	Mr. A. Sundararaju
3. Designation		Chairman, Managing Director & CEO	Executive Director & CFO
(b) Details of the BR head			
No.	**Particulars**	**Details**	
1	DIN Number	00002804	
2	Name	Dr. A. Velumani	
3	Designation	Chairman, Managing Director & CEO	
4	Telephone number	022-2762 2762	
5	e-mail id	ceo@thyrocare.com	

2. Principle-wise (as per NVGs) BR Policy/policies

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency & Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the wellbeing of all employees

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Principle 5: Businesses should respect and promote human rights

Principle 6: Business should respect, protect, and make efforts to restore the environment.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	Policy No. 1: Ethics, Transparency & Accountability	2: Safety and Sustainability of Services rendered	3: Well-being of the employees	4: Being responsive to the stakeholders' interests	5: Respect to Human Rights	6: Protection of Environment	7: Responsible reaction to Public Policy	8: Inclusive Growth & Equitable Development	9: Providing value to customers & consumers
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes. The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs, Government of India.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies that are approved by the Board and signed by the Chairman, Managing Director & CEO / Executive Director & CFO, would be uploaded in the Company's website.								
5	Does the company have a specified committee of Board / Director / Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Implementation of the Policy would be overseen by the Corporate Social Responsibility Committee, consisting of one Independent Director as Chairman and another Independent Director and one Executive Director (who is also CFO) as Members.								
6	Indicate the link for the policy to be viewed online?	www.thyrocare.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Policy has been communicated to the relevant internal and external stakeholders.								
8	Does the company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes. The Grievances can be reported by investors "investor_relations@thyrocare.com" and by others to "complaints@thyrocare.com".								
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why? (Tick up to 2 options)

No.	Questions	
1	The company has not understood the Principles.	Not applicable
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	
3	The company does not have financial or manpower resources available for the task.	
4	It is planned to be done within next 6 months	
5	It is planned to be done within the next 1 year	
6	Any other reason (please specify)	
3.	**Governance related to BR**	
	(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. - Within 3 months, 3-6 months, Annually, More than 1 year.	Annually
	(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company is publishing Business Responsibility Report, as part of the Annual Report. Since the Annual Report will be uploaded in the Company's website, the BRR can also be viewed at the said website.

SECTION E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency & Accountability

Thyrocare believes that Ethics, Transparency and Accountability are inter-related:- a business which runs its operations ethically and in a transparent manner, would never have any problem of Accountability towards all its stakeholders, to the society at large. Thyrocare has been conducting its business on Ethical lines, and in a Transparent manner from the day of inception. Thyrocare has formulated an elaborate code of conduct, which is applicable to all the Directors and the employees of the Company and its subsidiary. The Company has also put in place a Whistle-Blower policy to enable employees to report any actual or suspected incidence of corruption, bribery, or any kind of unethical behaviour on the part of any employee, including executives and directors. The Code of Conduct and the Whistle Blower Policy have been uploaded in the Company's website.

1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group / Joint Venture / Suppliers / Contractors / NGOs / Others	The policy relating to ethics, bribery and corruption are primarily applicable to the Company and its subsidiary. Thyrocare encourages the contractors, suppliers and others to comply with the same, wherever possible.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide in about 50 words or so.	The Company has not received any complaint from any stakeholders relating to ethics, bribery and corruption.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Thyrocare believes that for a diagnostic service oriented company like it, sustainability means providing dependable results at affordable cost. With this in view, Thyrocare established India's first fully automated and IT-enabled laboratory that today ensures error-free processing of over 52600 specimens collected from all over India and sent by using an innovative air-cargo system, and conducting over 3.09 lakh investigations per day, and giving results within a turnaround time of twenty four hours. By employing the latest technologies, and fully computerised testing process, Thyrocare is able to remain at par with global standards in terms of quality and service delivery. By handling huge volumes, Thyrocare is able to provide its services at the lowest possible cost, unmatched by any other service provider.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The Company focuses on preventive Clinical Biochemistry based Diagnostic Services, and has introduced groups of tests packaged under the brand name "Aarogyam", and various other tests, all of which have been designed keeping its social responsibility in view - at lowest possible rates, affordable even to the common man. The four most popular tests are mentioned below: (a) Aarogyam Profile (b) Thyroid Profile (c) Diabetic Profile (d) Tuberculosis Profile
2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (Optional): (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not applicable
3. Does the company have procedures in place for sustainable sourcing (including transportation)?	The Company has in place adequate procedures through long-term contracts for sustainable sourcing of inputs required for its operations.
(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Reagents and diagnostic materials are the major inputs for us. By tying up mostly with the same vendors who have also supplied / leased the laboratory equipment / instruments, we ensure that almost 100% of these materials are sourced sustainably.
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Yes.
(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	We encourage individuals and other entities to become our Service Providers and Direct Selling Agents, and thereby help them join us in the progress of the Company.
5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The bio-medical wastes produced in the laboratory are handed over to the State Pollution Control Board for recycling or safe disposal. The Company has formulated Standard Operating Procedures for waste management, to ensure proper separation, handling, storage and transportation of bio-medical wastes.

Principle 3: Businesses should promote the wellbeing of all employees

Thyrocare is alive to the fact that Human Resources are the most valued assets of any organisation, and hence every organisation has to take all possible measures for the well-being of the employees, so as to keep their morale and motivation high. With this in view, Thyrocare has structured many welfare measures and is also taking necessary steps for enhancement of their skills and abilities on a continuous basis. Thyrocare organises recreational events like New Year celebrations and Get-togethers and periodical contests to enable the employees to exhibit their abilities. Thyrocare is also providing other regular facilities like heavily subsidised canteen, free transportation from the work spot to the nearest railway station, etc. Thyrocare allotted shares equivalent to about 0.25% of its then paid up capital to the eligible employees at the face value of ₹ 10/- whereas the current market price is about 53 times of the offer price. Thyrocare has also introduced another liberal Employees Stock Option Scheme whereby shares equivalent to about 1% of the Company's paid up capital would be offered, over a period of ten years at the rate of 0.10% every year, to all the eligible employees at face value, to inculcate into them a deep sense of belonging to the organisation, besides giving them an opportunity of sharing the benefit of the Company's growth. Under this scheme, Thyrocare has already granted options to the eligible employees in the past six years.

1.	Please indicate the Total number of employees. (as on 31-03-2020)	1333
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	0
3.	Please indicate the Number of permanent women employees.	453
4.	Please indicate the Number of permanent employees with disabilities	1
5.	Do you have an employee association that is recognized by management.	There is no employee association recognized by the Management.
6.	What percentage of your permanent employees is members of this recognized employee association?	N.A.
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.	Nil

No.	Category	No. of complaints filed during the financial year	No of complaints as on end of the financial year
1	Child labour/forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8.	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	The Company believes in constant upgradation of skills of the employees and hence conducts periodical training sessions to improve their work-abilities. Standard Operating Procedures have been formulated for safety measures to be taken on a continuous basis.
(a)	Permanent Employees	100%
(b)	Permanent Women Employees	100%
(c)	Casual/Temporary/Contractual Employees	N.A.
(d)	Employees with Disabilities	100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

The modern concept of any business is to take care of welfare of not only the shareholders, but all the stake-holders as a whole. True to this concept, Thyrocare takes care to structure its business policies in such a way that they are beneficial to all the stake-holders – Investors, Employees, Customers, Vendors, Business Associates, and to the Society at large, and particularly the weaker sections of the society. The Company's pricing policy is based on the principle of taking the company's services within the reach of common man.

1.	Has the company mapped its internal and external stakeholders? Yes/No	Yes.
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?	Yes.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.	The Company is implementing welfare measures for that part of the society which is disadvantaged, vulnerable and marginalised.

Principle 5: Businesses should respect and promote human rights

Thyrocare is conscious of the fact that it is the responsibility of every business enterprise to respect human rights, to avoid infringing on the human rights of others, and to take effective remedial measures in the event of any such infringement. Therefore, Thyrocare takes efforts to ensure that their own activities or business relationships do not cause any negative human rights impact.

1.	Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The policy on human rights covers the Company and its subsidiary.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Shareholder related			Employee related			Customer related		
Received	Resolved	Pending	Received	Resolved	Pending	Received	Resolved	Pending
1	1	0	0	0	0	9807	9807	0

The Company has setup an investor grievance mechanism to respond to investor grievances in a timely and appropriate manner. The investor grievances and action taken are also reviewed at the Board level by the Stakeholders Relationship Committee.

Employees' grievances, if any, are resolved through internal review mechanism by Senior Management. There is also a vigil mechanism in place to report serious grievances and inappropriate action by any other employee/executive/director. A Committee has also been constituted to look into complaints of sexual harassment, if any.

The Company has also established robust customer care system, which tracks customer complaints and responds to them in the minimum time possible and take appropriate remedial measures.

Principle 6: Business should respect, protect, and make efforts to restore the environment.

Thyrocare is fully aware that protecting the environment around us – air, water, soil, and the entire ecosystem – is of vital importance for our well being; damages to the environment are actually damages to the Nature and will ultimately endangers the very existence of life itself in the long run. Therefore, Thyrocare is taking all possible efforts to prevent any kind of pollution and adhering to the best procedures to protect the environment. Apart from complying with the statutory regulations, Thyrocare has structured Standard Operating Procedures to ensure that the Company's activities do not create any negative impacts on the environment.

1.	Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others.	The Company's policy on Environment, Health and Safety and Standard Operating Procedures are applicable to the Company and its subsidiary.

2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc. Yes / No. If yes, please give hyperlink for webpage, etc.	No.
3.	Does the company identify and assess potential environmental risks? Y/N	Yes.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	No.
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewal energy, etc. Yes / No. If Yes, please give hyperlink for web page, etc.	The Company has already installed solar panels, and has taken steps to install additional solar plants. This would ensure that about 15 to 20% of total power consumption comes from renewable source.
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes. All emissions/waste generated are within permissible limits. These are continuously monitored, reviewed internally and reported to the CPCB/SPCB as per the requirement.
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	The Company has not received any Show Cause Notice or Legal Notices from CPCB / SPCB during the financial year.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Though collaborating with similar businesses and representing to the Government for redressal of common grievances is recognised as an acceptable business practice, it is the policy of Thyrocare that any engagement with the Government should be for the welfare of the public at large, and should not be with the intention of advancing the interests or promoting the welfare of a select few.

1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	The Company is not a member of any trade association or chamber.
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes /No; If yes, specify the broad areas (Drop box - Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	Not applicable.

Principle 8: Business should support inclusive growth and equitable development

Thyrocare believes that real growth and development can be achieved only when equal opportunities are made available to every member of the society and there is equitable development; a lopsided growth will ultimately lead to social unrest and result in negation of the benefits already achieved. Therefore, Thyrocare formulates its policies in such a way that the benefits of its services are easily available to everyone. Thyrocare has also structured its CSR policies on the principle of empowering and enabling the community as a whole to participate in the march towards growth and development.

1.	Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.	The Company's CSR Policies are aimed at supporting inclusive growth and equitable development. The Company implemented an Employees Share Purchase Scheme through which shares were allotted to all the eligible employees, in 2014. In addition, the Company has also introduced an Employees Stock Option Scheme for issuing shares equivalent to 1% of the paid-up equity capital over a period of ten years.

2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO / government structures / any other organisation?	Under the Company's CSR project, appropriate assistance is extended to other entities for programmes designed to achieve inclusive growth and equitable development.
3.	Have you done any impact assessment of your initiative?	A regular assessment of the impact of the initiative is being done.
4.	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	The Company has spent about ₹ 4.09 Crores during the financial year 2019-20 towards community development projects, as part of its CSR activities. This expenditure is incurred towards:
		Giving financial assistance through (i) Financial assistance to poor children for education (ii) Donation to blind organization of India, (iii) Pension to old age people, (iv) Distribution of Rain coats to flood victims and other needy persons, (v) Donation of books to School Libraries in aided schools, (vi) Covid-19 related programmes, like distribution of food packets, sanitizers, hand-shields and other consumables to migrants, security & para-medical personnel and creating awareness of Do's and Don'ts, through media, etc.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Adoption of such initiatives is ensured through periodical contacts with the entities through whom such initiatives are implemented.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Thyrocare has always considered the customer as the most important person in its business and its avowed Mission is to ensure that the right value is given in right time to the right patient at the least cost. High productivity, lean operations, able administration and volume-enabled savings have made Thyrocare the most affordable Clinical Chemistry Laboratory in the world.

1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	We are processing more than 52,600 blood samples for conducting more than 3,09,000 investigations every day, from customers living across the breadth and length of the country. The customers' complaints we receive constitute hardly 0.05% of the total number of tests done. There is a dedicated team to look into the complaints, and redress them appropriately. The Company has formulated a Standard Operating Procedure for dealing and redressing the complaints.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)	Not applicable to us.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviours during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Nil
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company has not carried out any consumer survey, but has a system of getting feedback from the consumers, based on which appropriate actions are taken to improve the services and resolve the consumer grievances.

Independent Auditors' Report

To the Members of Thyrocare Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Thyrocare Technologies Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020 and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

The Key Audit Matter	How the matter was addressed in our audit
Impairment testing of investment in subsidiary (Impairment charge recorded: ₹ 44.33 crore) **Refer to note 7A to the standalone financial statements**	
The Company has significant carrying value in its wholly owned subsidiary, Nueclear Healthcare Limited ('NHL'). NHL has continued to incur cash losses since inception and consequently the Company is required to perform impairment testing of the carrying value in the investment. Impairment testing of investment in NHL will require the Company to estimate the recoverable value of the investment applying anappropriate valuation model such as the Discounted Cashflow model (DCF). The valuation process is complex and involves significant judgment in considering various forward-looking assumptions and estimates. Considering the complexity, the magnitude of potential impact and the judgement necessary to estimate the amount of impairment, this is identified as a key audit matter	Our audit procedures included – — Obtained an understanding of management's impairment assessment process and their determination of recoverable amount of investment in NHL; — Obtained the Company's assessment of the recoverable value of the investment basis the valuation prepared by Management; — Involved our valuation specialist to test the appropriateness of the valuation model and the critical judgements made by Management; — Assessed and challenged the future cashflows of NHL forecasted by the Company for the purpose of valuation; — performed sensitivity analysis around the key assumptions, to ascertain the extent to which adverse changes, both individually or in aggregate, could impact the analysis; — Assessed and tested the appropriateness of disclosures in the financial statements.

The Key Audit Matter	How the matter was addressed in our audit
Revenue recognition	
Revenue from sale of testing services is recognized at a point in time once the testing samples are processed for requisitioned diagnostic tests. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. Also, there is a risk of revenue being mistated through alteration of the timing of transfer of control arising from pressure to achieve performance targets and meeting external expectations at the year end.	Our audit procedures included – — Assessing the compliance of the revenue recognition accounting policies by comparing with Ind AS 115 “Revenue from Contracts with Customers”; — Testing the design, implementation and operating effectiveness of the Company’s general Information Technology (IT) controls, by involving our IT specialists; — Testing the design, implementation and operating effectiveness of key IT application/manual controls over the Company’s systems for revenue recognition, by involving our IT specialists. — Tested the reconciliation of revenue recorded as per the billing/operations system to the revenue recorded as per the accounting system — Performing substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year end) and tracing underlying documentation. — Assessing manual journals posted to revenue to identify unusual items. — Considering the adequacy of the Company’s disclosures in respect of revenue.

Other Information

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditors’ report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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 and Board of Directors’ Responsibility for the Standalone Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the StandaloneFinancial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amar Sunder
Partner
Membership Number: 078305
ICAI UDIN:20078305AAAAAZ2860

Place: Mumbai
Date: 23 May 2020

Annexure A to the Independent Auditors' report on the standalone financial statements of Thyrocare Technologies Limited for the year ended 31 March 2020

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified once every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 4 to the standalone financial statements, are held in the name of the Company.

(ii) The inventory, except goods in transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) The Company has granted unsecured loans to a company covered in the register maintained under section 189 of the Act. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to limited liability partnership, body corporate, firms or other parties covered in the register required to be maintained under section 189 of the Act.

(a) According to the information and explanation given to us and based on the audit procedures conducted by us, we are of the opinion that the rate of interest and other terms and conditions of the unsecured loans granted by the Company to a company covered in the register required to be maintained under Section 189 of the Act are not, prima facie prejudicial to the interest of the Company.

(b) According to the information and explanation given to us, the schedule of repayment of principal and interest has been stipulated and the repayments have been regular in accordance with the terms of the loan.

(c) There is no overdue amount of more than 90 days in respect of the unsecured loans granted by the Company.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made and loans provided to a subsidiary. The Company has not provided any guarantees or security to which the provisions of section 186 apply.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, goods and services tax, duty of customs, cess, profession tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods and services tax, duty of customs, cess, profession tax and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, value added tax, service tax, goods and services tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in Appendix I to this report.

(viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institution, bank or Government nor has it issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of any such case by the Management.

(xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid or provided for 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. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required by applicable Indian Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amar Sunder
Partner
Membership Number: 078305
ICAI UDIN:20078305AAAAAZ2860

Place: Mumbai
Date: 23 May 2020

Appendix I

Name of the Statute	Nature of dues	Amount Demanded ₹ in crores	Amount Paid ₹ in crores	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14.04	1.00	2008-09 and 2009-10	Income tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	22.81	1.00	2010-11 and 2011-12	Income tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	12.38	Nil	2012-13	Commissioner of Income tax (Appeals)

Annexure B to the Independent Auditors' report on the standalone financial statements of Thyrocare Technologies Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Thyrocare Technologies Limited ("the Company") as of 31 March 2020in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amar Sunder
Partner
Membership Number: 078305
ICAI UDIN:20078305AAAAAZ2860

Place: Mumbai
Date: 23 May 2020

Standalone Balance Sheet
as at 31 March 2020

Currency: In crore of INR

	Note	31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4A	87.56	106.55
Capital work-in-progress	4B	3.87	1.28
Investment property	4C	1.17	1.22
Other intangible assets	5A	0.14	0.49
Right-of-use lease assets	5B	22.69	-
Investment in associate	6	20.00	20.00
Investment in subsidiary	7A	150.34	194.67
Financial assets			
Loans	8A	17.86	41.04
Other financial assets	9	3.39	-
Deferred tax assets	10	11.64	1.62
Non-current tax assets	11	8.33	7.11
Other non-current assets	12	1.75	1.86
Total non-current assets		**328.74**	**375.84**
Current assets			
Inventories	13	18.49	15.56
Financial assets			
Investments	7B	69.03	74.64
Trade receivables	14	15.19	11.06
Cash and cash equivalents	15	4.88	4.36
Other bank balances	15	2.42	4.69
Loans	8B	0.66	0.07
Other financial assets	16	0.15	0.21
Other current assets	17	2.45	1.42
Assets held for sale		0.38	-
Total current assets		**113.65**	**112.01**
Total assets		**442.39**	**487.85**
Equity and liabilities			
Equity			
Equity share capital	18	52.84	52.80
Other equity	19	325.39	402.98
Equity attributable to owners of the Company		**378.23**	**455.78**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	20A	5.53	-
Other financial liabilities	20B	-	1.06
Provisions	21A	7.88	6.49
Total non-current liabilities		**13.41**	**7.55**
Current liabilities			
Financial liabilities			
Lease liabilities	20A	3.67	-
Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises		0.70	0.08
- total outstanding dues of creditors other than micro enterprises and small enterprises		18.47	5.29
Other financial liabilities	20B	19.73	12.26
Current tax liabilities (net)	23	0.75	1.01
Provisions	21B	0.98	0.63
Other current liabilities	24	6.45	5.25
Total current liabilities		**50.75**	**24.52**
Total equity and liabilities		**442.39**	**487.85**
Significant accounting policies	2-3		
Notes to the Standalone Financial Statements	1-37		

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Standalone Statement of Profit and Loss

for the year ended 31 March 2020

Currency: In crore of INR

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations	25	400.00	370.28
Other income	26	10.48	13.66
Total income		**410.48**	**383.94**
Expenses			
Cost of materials consumed	27a.	110.17	103.25
Purchases of stock-in-trade	27b.	2.25	2.33
Changes in inventories of stock-in-trade	27c.	(0.08)	(0.26)
Employee benefits expense	28	45.75	40.51
Finance cost		1.32	0.47
Depreciation and amortisation expense	4,5	19.54	14.47
Other expenses	29	75.20	76.31
Total expenses		**254.15**	**237.08**
Profit before exceptional items and income tax		**156.33**	**146.86**
Exceptional items			
Provision for impairment of investment in subsidiary company	7A	(44.33)	(0.00)
Profit after exceptional items and before income tax		**112.00**	**146.86**
Tax expense:	30A.		
Current tax		42.74	52.90
Deferred tax		(10.06)	(1.27)
		32.68	**51.63**
Profit for the year		**79.32**	**95.23**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		0.16	0.16
Income tax effect	30B.	(0.04)	(0.06)
Other comprehensive income for the year, net of income tax		**0.12**	**0.10**
Total comprehensive income for the year		**79.44**	**95.33**
Earnings per share [Nominal value of ₹ 10 each]:			
(a) Basic earnings per share (INR)	31(i)	15.02	17.84
(b) Diluted earnings per share (INR)	31(ii)	14.99	17.80
Significant accounting policies	2-3		
Notes to the Standalone Financial Statements	1-37		

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

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Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Standalone Statement of Changes in Equity

for the year ended 31 March 2020

Currency: In crore of INR

a. Equity share capital

	Note	
Balance as at the 1 April 2018		53.72
Changes in equity share capital during 2018-19	18	(0.92)
Balance as at the 31 March 2019		**52.80**
Changes in equity share capital during 2019-20	18	0.04
Balance as at the 31 March 2020		52.84

b. Other equity

	Note	Reserves and surplus						Total
		Capital reserve	Securities premium	Share options outstanding	General reserve	Capital redemption reserve	Retained earnings	
Balance as at 1 April 2018		30.25	127.22	2.81	9.17	-	230.71	400.16
Total comprehensive income for the year ended 31 March 2019								
Profit or loss		-	-	-	-	-	95.23	95.23
Other comprehensive income (net of tax)		-	-	-	-	-	0.10	0.10
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**95.33**	**95.33**
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Transfer on exercise of stock option	19(a)	-	0.86	-	-	-	-	0.86
Adjusted on shares bought back	19(a)	-	(63.00)	-	-	-	-	(63.00)
Employee compensation expense for the year	19(b)	-	-	1.93	-	-	-	1.93
Transfer to securities premium account on exercise of stock option	19(c)	-	-	(0.86)	-	-	-	(0.86)
Equity shares bought back	19(c)	-	-	-	-	0.96	-	0.96
Final/ Interim dividend on equity shares	19(f)	-	-	-	-	-	(26.87)	(26.87)
Dividend distribution tax	19(f)	-	-	-	-	-	(5.53)	(5.53)
Total contributions by and distributions to owners		**-**	**(62.14)**	**1.07**	**-**	**0.96**	**(32.40)**	**(92.51)**
Balance as at the 31 March 2019		**30.25**	**65.08**	**3.88**	**9.17**	**0.96**	**293.64**	**402.98**
Balance as at 1 April 2019		30.25	65.08	3.88	9.17	0.96	293.64	402.98
Total comprehensive income for the year ended 31 March 2020								
Profit or loss		-	-	-	-	-	79.32	79.32
Other comprehensive income (net of tax)		-	-	-	-	-	0.12	0.12
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**79.44**	**79.44**
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Transfer on exercise of stock option	19(b)	-	2.16	-	-	-	-	2.16
Employee compensation expense for the year	19(c)	-	-	2.00	-	-	-	2.00
Transfer to securities premium account on exercise of stock option	19(c)	-	-	(2.16)	-	-	-	(2.16)
Final/ Interim dividend on equity shares	19(f)	-	-	-	-	-	(132.00)	(132.00)
Dividend distribution tax	19(f)	-	-	-	-	-	(27.03)	(27.03)
Total contributions by and distributions to owners		**-**	**2.16**	**(0.16)**	**-**	**-**	**(159.03)**	**(157.03)**
Balance as at the 31 March 2020		**30.25**	**67.24**	**3.72**	**9.17**	**0.96**	**214.05**	**325.39**

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Standalone Statement of Cash Flows

for the year ended 31 March 2020

Currency: In crore of INR

		Note	Year ended 31 March 2020	Year ended 31 March 2019
A.	**Cash flows from operating activities**			
	Net profit before exceptional items and income tax		156.33	146.86
	Adjustments for:			
	Depreciation and amortisation	4,5	19.54	14.47
	Net gain on investments	26	(4.78)	(4.15)
	Profit on sale of property, plant and equipment	26,29	(0.01)	(1.04)
	Unrealised gain on foreign exchange fluctuation	29	-	(0.01)
	Profit on liquidation of non-current investments	26	(0.03)	-
	Provision for doubtful receivables	29	1.89	0.47
	Employee stock compensation expense	28	2.00	1.93
	Buyback of share/ share issue expenses	29	-	0.78
	Interest income	26	(2.85)	(3.47)
			15.76	**8.98**
	Operating profit before working capital changes		**172.09**	**155.84**
	(Increase) / Decrease in Inventories	13	(2.93)	0.91
	(Increase) in Trade receivables	14	(6.02)	(2.32)
	(Increase) in Loans and advances	8	(0.20)	(0.58)
	(Increase) / Decrease in Other assets	9, 12, 16, 17	(1.04)	0.51
	Increase / (Decrease) in Trade payables	22	13.81	(0.33)
	Increase in Other liabilities	20, 24	2.97	2.17
	Increase in Provisions	21	1.90	1.83
			8.49	**2.19**
	Cash generated from operations		180.58	158.03
	Net income tax paid		(44.25)	(61.47)
	Net cash flows from operating activities (A)		**136.33**	**96.56**
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, additions to capital work-in-progress and capital advances	4,5	(8.98)	(20.36)
	Proceeds from sale of property, plant and equipment	4	0.02	1.34
	Proceeds from liquidation of non current investments	6	0.03	-
	Purchase of current investments	7B	(132.84)	(112.50)
	Proceeds from sale of current investments	7B	142.90	140.67
	Repayment / (Payment) of loans by/ to subsidiary	8A	22.85	(14.50)
	Lease payments received from sub-leases	5B	0.09	-
	Dividend received	26	0.34	1.44
	Bank deposits	9,15	(0.56)	(2.65)
	Interest received	16,26	2.99	3.26
	Net cash from/ (used in) investing activities (B)		**26.84**	**(3.30)**

Standalone Statement of Cash Flows (Contd.)

for the year ended 31 March 2020

Currency: In crore of INR

		Note	Year ended 31 March 2020	Year ended 31 March 2019
C.	**Cash flows from financing activities**			
	Proceeds from issue of equity shares	18	0.04	0.04
	Equity shares bought back	18	-	(63.00)
	Buyback of share/ share issue expenses	29	-	(0.78)
	Payment towards principal portion of lease liabilities	5B	(2.58)	-
	Payment towards interest portion of lease liabilities		(1.11)	
	Dividend paid on equity shares	19(f)	(131.96)	(26.87)
	Tax paid on dividend	19(f)	(27.04)	(5.53)
	Net cash used in financing activities (C)		**(162.65)**	**(96.14)**
	Net (Decrease)/ Increase in Cash and cash equivalents (A+B+C)		**0.52**	**(2.88)**
	Cash and cash equivalents at the beginning of the year		4.36	7.24
	Cash and cash equivalents at the end of the year		**4.88**	**4.36**

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (IndAS-7), "Statement of Cash Flows".

2 Reconciliation of cash and cash equivalents with the balance sheet :

Particulars	31 March 2020	31 March 2019
Cash and cash equivalents (refer note 15)	4.88	4.36
Balance as per statement of cash flows	**4.88**	**4.36**

3 Reconciliation of the movements of liabilities to cash flows arising from financing activities :

Particulars	Lease liabilities
Balance at 1 April 2019	**-**
Balances recognised during the year on transition to Ind AS 116	**11.94**
Changes from financing cash flows	
Repayment of lease liabilities - principal portion	(2.58)
Payment of interest on lease liabilities	(1.11)
Total changes from financing cash flows	**(3.69)**
Other changes	
Additional lease liabilities recognised during the year	0.95
Balance at 31 March 2020	**9.20**

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Notes to the Standalone Financial Statements
for the year ended 31 March 2020

1 Reporting entity

Thyrocare Technologies Limited (the "Company") is a company domiciled in India, with its registered office situated at D/37-1, TTC Industrial Area, MIDC Turbhe, Navi Mumbai – 400703, Maharashtra, India. The Company has been incorporated under the provisions of the Companies Act in India and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company operates in the healthcare industry and is involved in providing quality diagnostic services at affordable costs to patients, laboratories and hospitals in India.

2 Basis of preparation

A. Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (hereinafter referred to as the 'Ind AS') and other relevant provisions of the Act.

The standalone financial statements were authorized for issue by the Company's Board of Directors on 23 May 2020.

The details of the accounting policies are included in Note 3.

B. Functional and presentation currency

These standalone financial statements are prepared in India Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

C. Basis of measurement

The standalone financial statements are prepared on the historical cost basis except for the following items :

Items	Measurement basis
Certain financial assets	Fair value
Employee shared-based payments	Fair value
Liabilities for employee benefit obligations	Present value of defined benefit obligations

D. Use of estimates and judgments

In preparing these standalone financial statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes :

Note 3(l) and Note 35 – leases : whether an arrangement contains a lease and lease classification; and

Note 37 (f) – recognition of exceptional expenditure and contribution from shareholder : whether the receipt from shareholder towards reimbursement of exceptional expenditure are contribution.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes :

Note 3(d), 3(e), 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life;

Note 29 - determining the provision for income taxes;

Note 31 - measurement of defined benefit obligations : key actuarial assumptions;

Note 33 - Fair value measurement of financial instruments; and

Note 35 - recognition and measurement of provisions and contingencies : key assumptions about the likelihood and magnitude of an outflow of resources.

E. Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company, in some cases, makes use of valuation certificates obtained from third party professionals for determining significant fair value measurement.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as statements of asset management companies managing the mutual fund schemes, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues, if any, are reported to the Company's Audit Committee.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities (includes mutual funds that have quoted price/ declared NAV).

- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes :

- Note 4C – investment property;

- Note 32 – share-based payment arrangements; and

- Note 33 – financial instruments.

3 Significant accounting policies

A. Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded;

(iv) the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current - non-current classification of assets and liabilities.

B. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities are translated at the rate at the date of the transaction. Exchange differences are recognised in statement of profit or loss.

C. Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;

- Fair value through other comprehensive income (FVTOCI); or

- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is classified as subsequently measured at fair value through Other Comprehensive Income if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest cost / income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value, Dividends are recognised as income in profit of loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held – for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	60 Years	60 Years
Plant and equipment (diagnostic equipment)	13 Years	13 Years
Plant and equipment (others)	15 Years	15 Years
Office equipment	5 Years	5 Years
Furniture and fittings	10 years	10 years
Computers	3-6 years	3-6 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

(v) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

E. Other Intangible assets

Other intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Software - 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

F. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Since the Company has leased part of its building to related party to conduct the business operation, based on technical evaluation and consequent advice, the management believes the indicative useful life of relevant type of asset mentioned in Part C of Schedule II to the Act, as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties over a period of 60 years on a written-down value basis.

Any gain or loss on disposal of an investment property is recognised in profit or loss.

G. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials, components and other supplies held for use in processing are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

H. Impairment

(i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of the borrower or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

(iii) Impairment of non-financial assets

The Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

I. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

J. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

K. Revenue

Revenue includes only the gross inflows of economic benefits. It is measured based on the consideration specified in the contracts with customers. Amounts collected on behalf of third parties such as goods and services taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they are excluded from revenue.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time requires judgement.

Revenue stream	Nature and timing of satisfying performance obligations, including significant payment terms	Revenue recognition under Ind AS 115
Sale of services	Customers obtain control of the service at the time of receipt of relevant test reports. The credit period offered to customers generally ranged from 30 days to 90 days. The Company generally does not have refund/warranty obligations.	Revenue from sale of testing services is recognized at a point in time once the testing samples are processed for requisitioned diagnostic tests.
Sale of goods	Customer obtains control of goods when the goods are delivered to the customer's premise or other agreed upon delivery point where the customer takes control of the goods. The credit period offered to customers generally ranged from 30 days to 90 days. The Company generally does not have refund/warranty obligations.	Revenue is recognized at a point in time when the goods are delivered at the agreed point of delivery which generally is the premises of the customer.

Income from technical assistance and trade mark assignment is recognised once the Company's right to receive the income is established by the reporting date. Income from technical assistance and trademark is recognised as an agreed percentage of the turnover of the respective entities, as per the terms of the respective agreements.

L. Leases

The Company has applied Ind AS 116 Leases, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The details of accounting policies under Ind AS 17 are disclosed separately.

Policy applicable from 1 April 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease, A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of physically distinct asset. If the supplier has a substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either :
  - o the Company has the right to operate the asset; or
  - o the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(i) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following :

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property, separately, in Note 5B 'Right-of-use lease assets and lease liabilities in Note 20A, to the standalone financial statements.

Short-term leases and leases of low-value assets
The Company has elected not to recognize right-of-use assets and lease liabilities for short-term-leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy applicable before 1 April 2019
At inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets. Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use assets arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease.

The Company recognizes lease payments received under operating leases as income on a straight–line basis over the lease term as part of 'other income'.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116. However, when the Company was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

The Company presents right-of-use assets those were sub-leased, as net-off, in Note 5B 'Right to use long term leases (net of net investment in sub-leases)' and receivables against sub-leases in Note 9 'Other Non-current financial assets' and Note 16 'Other Current financial assets', in the statement of financial position.

Maturity Analysis of Lease liabilities as at 31 March 2020 on an undiscounted basis:

Particulars	As at 31 March 2020 in ₹ crore
Less than one year	4.43
One to five years	5.54
More than five years	1.00
Total	**10.97**

Lease liabilities recorded in the Balance sheet as at 31 March 2020

Particulars	As at 31 March 2020 in ₹ crore
Non-current portion	5.53
Current portion	3.67
Total	**9.20**

Amounts recognized in the statement of profit and loss

Particulars	Amount in ₹ crore
Interest expense on leases (recorded under Finance Cost in the statement of profit and loss)	1.11
Depreciation on right-of-use assets for the year (refer note 5B for further details)	4.01
Expenses relating to short term leases recorded in note 29 under Rent	0.59
Interest income on net investment in sub-leases recorded under other income	0.07

Amount recognized in the statement of cash flows:

Particulars	Amount in ₹ crore
Total cash outflow on account of leases	4.28
Total cash inflow from subleases	0.09

(iii) Others

The lease for the land at central processing laboratory premises was transferred in the name of the Company about 10 years ago. The lease premium paid to the landlord on transfer of lease rights in favour of the Company, is capitalised in the books and amortised over the period of the lease. Further, part of the property on the said leased land, since no longer required for use by the Company has been sublet to it's subsidiary, after approval from the lessor. During the year, the Company has recovered sublease payments of INR 0.73 crore (31 March 2019 : INR 0.86 crore) in respect of this lease. The portion of the property thus sub-leased was recognised as investment property (see Note 3(f) and footnote to Note 4).

Equipment placement arrangements

The Company uses testing equipment (analysers) under a number of reagent rental arrangements. Some of these arrangements provide the Company with option to purchase the equipment at the end of lease term at mutually negotiated price as well as an obligation to purchase the equipment at stipulated price in the event of premature termination.

Some of these arrangements are not in the legal form of lease, but a portion of the cost paid to the vendors for reagents is considered to contain a lease element due to the nature of the contractual terms.

On transition to Ind AS 116, however the Company recognized the commitment outstanding, under these equipment placement arrangements, as on the date of transition, at the present value discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate as a right-of-use asset and a lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Change in accounting policies

Except for the changes below, the Company has consistently applied the accounting policies to all periods presented in these standalone financial statements.

The Company applied Ind AS 116 with a date of initial application of 1 April 2019. As a result, the Company has changed its accounting policy for lease contracts as detailed below.

The Company applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1 April 2019. The details of the changes in accounting policies are disclosed below.

A. Definition of a lease

Previously, the Company determined at contract inception whether an arrangement is or contains a lease. Under Ind AS 116, the Company assesses whether a contract is or contains a lease based on the definition of a lease, as explained earlier in this Note K.

On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transaction are leases. It applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

B. As a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognizes right-of-use assets and lease liabilities for most leases – i.e. these leases are on balance sheet.

The Company decided to apply recognition exemption to short-term leases of building, machinery and lease of IT equipment.

(i) Leases classified as operating leases under AS 17

- o At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments – the Company applied this approach for all leases.

  The Company used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17.

- o applied a single discount rate to a portfolio of leases with similar characteristics.
- o applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.
- o excluded initial direct costs from measuring the right-of-use asset at the date of initial application.

- o Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

C. As a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

Under Ind AS 116, the Company is required to assess the classification of a sub-lease with reference to the right-of-use asset, not the underlying asset. On transition, the Company reassessed the classification of a sub-lease contract previously classified as an operating lease under Ind AS 17. The Company concluded that the sub-lease is a finance lease under Ind AS 116.

The Company applied Ind AS 115 Revenue from contracts with customers to allocate consideration in the contract to each lease and non-lease component, to the extent applicable.

D. Transition impacts to the financial statements

On transition to Ind AS 116, the Company recognized INR 11.14 crore of additional right-of-use assets (net of investment in sub-leases of INR 0.80 crore), INR 11.94 crore of additional lease liabilities and INR 0.80 crore of receivable from sub-lease.

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted average rate applied is 10.5%.

Particulars	Amount in ₹ crore
Operating lease commitments as at 31 March 2019 as per Ind AS 17	12.61
Add: Commitments towards reagent equipment placement arrangements (to the extent of lease element)	3.25
Less: Impact of discounting on date of initial application of Ind AS 116	-3.92
Lease liabilities recognised in the balance sheet on transition to Ind AS 116 as at 1 April 2019 (before netting impact of sub-leases)	11.94

M. Recognition of rental income, dividend income, interest income or expense

Rental income from investment property is recognised as part of other income in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Rental income from sub-leasing is also recognised in a similar manner and included under other income.

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to :

- the gross carrying amount of the financial asset; or

- the amortised cost of the financial liability.

N. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

O. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

P. Operating segments

In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated financial statements of the holding company.

Q. Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing Indian Accounting Standards (Ind AS). There is no such notification which would have been applicable from 1 April 2020.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

4 Property, plant and equipment, capital work-in-progress and investment property

See accounting policies in Notes 3(d) and 3(f)

	Gross Block					Accumulated depreciation					Net Block	
	Balance as at 1 April 2019	Addition	Disposal	Reclassification to assets held for sale*/ Reclassification to Right-of- use assets/ Other adjustments	Balance as at 31 March 2020	Balance as at 1 April 2019	Depreciation/ amortisation expense for the year	On Disposals	Transfer on reclassification to assets held for sale*/right-of-use assets	Balance as at 31 March 2020	Balance as at 31 March 2020	Balance as at 31 March 2019
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A Property, plant and equipment												
Leasehold Land	**15.60**	**-**	**-**	**(15.60)**	**-**	**0.72**	**-**	**-**	**(0.72)**	**-**	**-**	**14.88**
	15.60	*-*	*-*	*-*	*15.60*	*0.48*	*0.24*	*-*	*-*	*0.72*	*14.88*	*15.12*
Freehold Land	**4.38**	**-**	**-**	**-**	**4.38**	**-**	**-**	**-**	**-**	**-**	**4.38**	**4.38**
	4.38	*-*	*-*	*-*	*4.38*	*-*	*-*	*-*	*-*	*-*	*4.38*	*4.38*
Buildings/ Premises	**44.24**	**-**	**-**	**(0.74)***	**43.50**	**5.77**	**2.06**	**-**	**(0.36)**	**7.48**	**36.02**	**38.47**
	44.56	*-*	*(0.32)*	*-*	*44.24*	*3.82*	*1.99*	*(0.04)*	*-*	*5.77*	*38.47*	*40.74*
Plant and Equipment	**56.74**	**7.02**	**-**	**(0.09)**	**63.67**	**20.55**	**8.11**	**-**	**-**	**28.66**	**35.01**	**36.19**
	44.45	*12.29*	*-*	*-*	*56.74*	*12.33*	*8.22*	*-*	*-*	*20.55*	*36.19*	*32.12*
Furniture and Fixtures	**13.99**	**2.05**	**-**	**-**	**16.04**	**5.09**	**2.51**	**-**	**-**	**7.60**	**8.44**	**8.90**
	9.35	*4.64*	*-*	*-*	*13.99*	*3.15*	*1.94*	*-*	*-*	*5.09*	*8.90*	*6.20*
Vehicles	**0.68**	**0.07**	**(0.08)**	**-**	**0.67**	**0.24**	**0.14**	**(0.07)**	**-**	**0.31**	**0.36**	**0.44**
	0.66	*0.19*	*(0.17)*	*-*	*0.68*	*0.20*	*0.21*	*(0.17)*	*-*	*0.24*	*0.44*	*0.46*
Office equipment	**4.38**	**1.03**	**-**	**-**	**5.41**	**2.05**	**1.06**	**-**	**-**	**3.11**	**2.30**	**2.33**
	2.78	*1.60*	*-*	*-*	*4.38*	*1.29*	*0.76*	*-*	*-*	*2.05*	*2.33*	*1.49*
Computers, printers and scanners	**2.74**	**1.06**	**-**	**-**	**3.80**	**1.78**	**0.97**	**-**	**-**	**2.75**	**1.05**	**0.96**
	1.71	*1.03*	*-*	*-*	*2.74*	*0.92*	*0.86*	*-*	*-*	*1.78*	*0.96*	*0.79*
Total	**142.75**	**11.23**	**(0.08)**	**(16.42)**	**137.47**	**36.20**	**14.85**	**(0.07)**	**(1.07)**	**49.91**	**87.56**	**106.55**
	123.49	*19.75*	*(0.49)*	*-*	*142.75*	*22.19*	*14.22*	*(0.21)*	*-*	*36.20*	*106.55*	*101.30*
B Capital work-in progress											3.87	-
											1.28	*-*
C Investment property	**1.39**	**-**	**-**	**-**	**1.39**	**0.17**	**0.05**	**-**		**0.22**	**1.17**	**1.22**
	1.39	*-*	*-*	*-*	*1.39*	*0.12*	*0.05*	*-*	*-*	*0.17*	*1.22*	*1.27*

Figures in italic pertains to previous year.

Notes to the Standalone Financial Statements
for the year ended 31 March 2020

Currency: In crore of INR

Notes

i. Investment Property - Disclosure pursuant to Ind AS 40 'Investment Property'

Amount recognised in Statement of profit and loss for investment property

	31 March 2020	31 March 2019
Rental income derived from investment property	0.73	0.73
Direct operating expenses arising from investment property that generated rental income	0.04	0.04
Profit arising from investment properties before depreciation and indirect expenses	0.69	0.69
Depreciation	0.05	0.05
Profit/ (loss) arising from investment properties before indirect expenses	0.64	0.64

Measurement of fair values

- The Company has sub-let part of the leasehold land and constructed building thereon, to its subsidiary for business operations after getting an approval from the lessor. Since the premises is constructed on leasehold plot of land, the sub-let part of the premises is not saleable independently. The fair value of the investment property would be difficult to determine reliably. The premises is constructed on industrial leasehold plot of land and there are very few recent transactions. In case of the previously observed transaction for transfer of plot prices, the variations in the prices indicate that the transfer price is not indicative of market prices. Also, the alternative reliable measurement of fair value are not available due to the regulatory restrictions as to usage, transfer, leasing and subletting of the property within the jurisdiction. The fair value of the investment property on the basis of then observed transfer prices for the properties within the same jurisdiction, ranges from INR 2.55 crore to 3.00 crore.

ii. Assets held for sale *

During the year ended 31 March 2020, the Company has reclassifed certain building premises to assets held for sale. While the Company has already received advances towards sale consideration for building premises, due to enforcement of national lockdown due to COVID epidemic, the procedural fornalities for effecting the transfer could not be completed before 31 March 2020. The sale of these assets held for sale is expected to be completed by 31 March 2021.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

5 Other intangible assets and right-of-use lease assets

See accounting policy in Note 3(e)

A Intangible assets	Gross Block					Accumulated depreciation				Net Block		
	Balance as at 1 April 2019	Addition	Disposal	Other adjustment*	Balance as at 31 March 2020	Balance as at 1 April 2019	Depreciation/ amortisation expense for the year	On Disposals	Impairment losses	Balance as at 31 March 2020	Balance as at 31 March 2020	Balance as at 31 March 2019
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Computer software	**1.28**	**-**	**-**	**-**	**1.28**	**0.79**	**0.35**	**-**	**-**	**1.14**	**0.14**	**0.49**
	0.98	*0.30*	*-*	*-*	*1.28*	*0.59*	*0.20*	*-*	*-*	*0.79*	*0.49*	*0.39*
Total intangible assets	**1.28**	**-**	**-**	**-**	**1.28**	**0.79**	**0.35**	**-**	**-**	**1.14**	**0.14**	**0.49**
	0.98	*0.30*	*-*	*-*	*1.28*	*0.59*	*0.20*	*-*	*-*	*0.79*	*0.49*	*0.39*

Figures in italic pertains to previous year.

B Right-of -use lease assets (net off investment in sub-leases)	Gross Block					Accumulated depreciation					Net Block
	Balance as at 1 April 2019 (arising on transition to Ind AS 116)	Recognised during the year	Derecognised during the year	Other adjustment*	Balance as at 31 March 2020	Balance as at 1 April 2019	Depreciation/ amortisation expense for the year	On Derecognition	Impairment losses	Balance as at 31 March 2020	Balance as at 31 March 2020
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Leasehold Land	14.88	-	-	-	14.88	-	0.24		-	0.24	14.64
Buildings	7.89	0.95	-	-	8.84	-	2.19	-	-	2.19	6.65
Plant and machinery	3.26	-	-	-	3.26	-	1.86	-	-	1.86	1.40
	26.03	**0.95**	**-**	**-**	**26.98**	**-**	**4.29**	**-**	**-**	**4.29**	**22.69**

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

6 Investment in associate

	31 March 2020	31 March 2019
Interest in associates		
Equity shares (unquoted) 429,185 (31 March 2019 : 429,185) equity shares of Equinox Labs Private Limited	20.00	20.00
Nil (31 March 2019 : 5,440) equity shares of USD 0.1 each of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share	-	1.61
Less : Provision for other than temporary diminution in the value of investments	-	(1.61)
	20.00	**20.00**

Note

Thyrocare International Holding Company was in the process of liquidation and the process of liquidation has been completed during FY 2019 - 20.

7 Investments

		31 March 2020	31 March 2019
A	**Non-current investments**		
	Unquoted equity shares		
	Equity shares at cost		
	Investment in subsidiary		
	11,111,000 (31 March 2019 : 11,111,000) equity shares of INR 10 each of Nueclear Healthcare Limited	194.67	194.67
	Less : Provision for impairment of investment in subsidiary company	(44.33)	-
		150.34	**194.67**
	Aggregate amount of unquoted investments	150.34	194.67
	Aggregate amount of impairment in value of investments (refer note below)	(44.33)	-
	Note		-
	The Company assessed the recoverable amount of investment in the wholly owned subsidiary Nueclear Healthcare Limited, as at 31 March 2020, as the higher of Fair Value less Cost of Disposal (the 'FVCOD') and the Value in Use (the 'VIU'), in view of the accumulated business losses since inception and also considering the changes in the market conditions and business environment in India including due to the outbreak of COVID epidemic and effects thereof in the foreseeable future. This has resulted in an impairment charge of INR 44.33 crore being recognised as exceptional charge for the year ended 31 March 2020. The Company continues to assess and endeavours to take appropriate steps to optimise the profitability of Nueclear Healthcare Limited and also combat the potential impacts of the COVID epidemic on the business of Nueclear Healthcare Limited. The recoverable amount was determined based on VIU by using a discount rate of 14.73%.		
B	**Current investments**		
	Investments in Mutual Funds (Quoted) measured at FVTPL	69.03	74.64
		69.03	**74.64**
	Aggregate amount of quoted investments - At cost	65.02	72.29
	Aggregate amount of quoted investments - At market value	69.03	74.64

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

8 Loans

(unsecured considered good unless otherwise stated)

		31 March 2020	31 March 2019
A	**Non-current loans and advances**		
	Loans to subsidiary (see Note 37(f))	16.15	39.00
	Security deposits		
	To related parties	0.04	0.04
	To parties other than related parties	1.67	2.00
		17.86	**41.04**
B	**Current loans and advances**		
	Security deposits		
	To parties other than related parties	0.61	-
	Loans and advances to employees	0.05	0.03
		0.66	**0.07**

9 Other financial assets - non current

	31 March 2020	31 March 2019
Bank balance in deposit accounts* (with maturity period exceeding 12 months from reporting date)	2.82	-
Receivables for sub-leases	0.57	-
	3.39	**-**

* Bank Deposits are under lien with the Banks against the Bank Guarantees issued to customers for execution of tenders.

10 Recognised deferred tax assets and liabilities

Currency: In crore of INR

A. Deferred tax assets and liabilities are attributable to the following :

	Deferred tax assets		Deferred tax (liabilities)		Net deferred tax assets/ (liabilities)	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Property, plant and equipment/ Intangible assets/ Investment property	-	-	(0.46)	(0.56)	(0.46)	(0.56)
Investments at fair value through profit or loss		-	(0.53)	(1.17)	(0.53)	(1.17)
Provisions - employee benefits	1.14	3.01	-	-	1.14	3.01
Investment in subsidiary	11.16	-	-	-	11.16	-
Other items	0.33	0.34	-	-	0.33	0.34
Net deferred tax assets/ (liabilities)	**12.63**	**3.35**	**(0.99)**	**(1.73)**	**11.64**	**1.62**

B. Movement in temporary differences

	Balance as at 1 April 2018	Recognised in profit or loss during 2018-2019	Recognised in OCI during 2018-2019	Balance as at 31 March 2019	Recognised in profit or loss during 2019-2020	Recognised in OCI during 2019-2020	Balance as at 31 March 2020
Property, plant and equipment/ Intangible assets/ Investment property	(0.22)	(0.34)	-	(0.56)	0.10	-	(0.46)
Investments at fair value through profit or loss	(2.12)	0.95	-	(1.17)	0.64	-	(0.53)
Provisions - employee benefits	2.16	0.91	(0.06)	3.01	(1.83)	(0.04)	1.14
Provisions - Impairment of investment in subsidiary	-	-	-	-	11.16	-	11.16
Other items (including net effect of deferred tax on Right of use assets and lease liabilities)	0.59	(0.25)	-	0.34	(0.01)	-	0.33
	0.41	**1.27**	**(0.06)**	**1.62**	**10.06**	**(0.04)**	**11.64**

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

11 Non-current tax assets

	31 March 2020	31 March 2019
See accounting policy in Note 3(n)		
Advance income tax (net of provision for tax)	8.33	7.11
	8.33	**7.11**

12 Other non-current assets

	31 March 2020	31 March 2019
Capital advances	-	0.13
Prepaid expenses	0.27	0.25
Balance with government authorities	1.48	1.48
	1.75	**1.86**

13 Inventories

	31 March 2020	31 March 2019
See accounting policy in Note 3(g)		
Reagents, diagnostic material and consumables	18.11	15.26
"Stock-in-trade - Glucose strips/ Gluco meter [includes in transit INR 0.17 crore (31 March 2019 : INR Nil)]"	0.38	0.30
	18.49	**15.56**

14 Inventories

	31 March 2020	31 March 2019
Secured, considered good	2.90	2.75
Unsecured, considered good	12.30	8.31
Credit impaired	2.56	0.77
	17.75	**11.83**
Less : Provision for bad and doubtful debts	(2.56)	(0.77)
	15.19	**11.06**
Trade receivables from related parties excluding provision for doubtful debts (refer Note 36)	**3.60**	**3.18**

15 Cash and bank balances

	31 March 2020	31 March 2019
Cash and cash equivalents		
Cash on hand	0.01	-
Balances with banks		
in current accounts	4.87	4.33
	4.88	**4.33**
Other bank balances		
Unpaid dividend account	0.07	0.03
in deposit accounts* (with original maturity period exceeding 3 months but maturing within 12 months from reporting date) [under lien]	2.35	4.69
	2.42	4.72
	7.30	**9.05**

* Bank Deposits are with the Banks against the Bank Guarantees issued to customers for execution of tenders.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

16 Other financial assets - current

	31 March 2020	31 March 2019
Receivables for sub-leases	0.14	-
Interest accrued on deposits	0.01	0.21
	0.15	**0.21**

17 Other current assets

	31 March 2020	31 March 2019
Advances for supply of goods and services	1.66	0.58
Prepaid expenses	0.79	0.84
	2.45	**1.42**

18 Share capital

		31 March 2020		31 March 2019	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	Authorised				
	Equity shares of ₹ 10 each with equal voting rights	100,000	100.00	100,000	100.00
(b)	Issued, subscribed and paid-up				
	Equity shares of ₹ 10 each with equal voting rights	52,836	52.84	52,799	52.80
	Total	**52,836**	**52.84**	**52,799**	**52.80**

All issued shares are fully paid-up

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	31 March 2020		31 March 2019	
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
Equity shares				
At the commencement of the year	52,799	52.80	53,724	53.72
Shares issued on exercise of employee stock options	37.76	0.04	34	0.04
Shares bought back	-	-	(959)	(0.96)
At the end of the year	**52,836**	**52.84**	**52,799**	**52.80**
Issued and subscribed share capital	**52,836**	**52.84**	**52,799**	**52.80**

The Company has also issued share options plan for its employees. (see Note 33)

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/ its share of the paid-up equity share capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Notes to the Standalone Financial Statements
for the year ended 31 March 2020

Currency: In crore of INR

Employee stock option plan
Terms attached to stock options plan to employees are described in Note 33 regarding share-based payments.

Equity shares bought back
During the previous year ended 31 March 2019, the Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

Particulars of shareholders holding more than 5% shares of a class of shares

	31 March 2020		31 March 2019	
	Number of shares (in thousands)	% of total shares held	Number of shares (in thousands)	% of total shares held
Equity shares of INR 10 each fully paid-up held by -				
Dr A Velumani	14,809	28.03%	14,809	28.05%
Thyrocare Publications LLP (formerly known as "Thyrocare Publications Private Limited")	6,535	12.37%	6,535	12.38%
Thyrocare Properties and Infrastructue Private Limited	5,218	9.88%	5,218	9.88%
Nalanda India Equity Fund Limited	3,366	6.37%		

Shares reserved for issue under options

		31 March 2020		31 March 2019	
		Number of shares	Amount	Number of shares	Amount
a.	Under Employees Stock Option Scheme, 2019 - at an exercise price of INR 10 per share (see Note 33)	37,189	0.04	-	-
b.	Under Employees Stock Option Scheme, 2018 - at an exercise price of INR 10 per share (see Note 33)	34,270	0.03	40,452	0.04
c.	Under Employees Stock Option Scheme, 2017 - at an exercise price of INR 10 per share (see Note 33)	39,880	0.04	47,610	0.05
d.	Under Employees Stock Option Scheme, 2016 - at an exercise price of INR 10 per share (see Note 33)	-	-	42,100	0.04

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

a. Below is a summary of the equity shares allotted by the Company pursuant to various ESOP plans for consideration other than cash (except for the face value of shares that has been recovered in case:

	31 March 2020	31 March 2019
Number of shares alloted pursuant to ESOP schemes	37,759	33,973

b. During the year ended 31 March 2015, the Company allotted 37,383,507 equity shares of INR 10 each fully paid up on 24 September 2014, as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premium account of INR 37.08 crore and capital redemption reserve of INR 0.30 crore.

c. During the year ended 31 March 2016 and 31 March 2015, the Company allotted 3,187,562 and 691,295 equity shares of INR 10 each fully paid up respectively, to the equity shareholders of Nueclear Healthcare Limited (‘NHL’) in consideration for 4,611,000 and 1,000,000 equity shares of NHL respectively at a premium of INR 295.95 per share.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

19 Other equity

		31 March 2020	31 March 2019
(a)	Capital reserve		
	At the commencement and end of the year	30.25	30.25
(b)	Securities premium		
	At the commencement of the year	65.08	127.22
	Transfer on exercise of stock option	2.16	0.86
	Adjusted on shares bought back	-	(63.00)
	At the end of the year	67.24	65.08
(c)	Share options outstanding		
	At the commencement of the year	3.88	2.81
	Employee compensation expense for the year	2.00	1.93
	Transfer to securities premium account on exercise of stock option	(2.16)	(0.86)
	At the end of the year	3.72	3.88
(d)	General reserve		
	At the commencement and end of the year	9.17	9.17
(e)	Capital redemption reserve		
	At the commencement of the year	0.96	-
	Equity shares bought back	-	0.96
	At the end of the year	0.96	0.96
(f)	Retained earnings		
	At the commencement of the year	293.64	230.71
	Profit for the year including other comprehensive income	79.44	95.33
	Appropriation		
	Final/ Interim dividend on equity shares	(132.00)	(26.87)
	Dividend distribution tax	(27.03)	(5.53)
	At the end of the year	214.05	293.64
		325.39	**402.98**

Capital reserve

Capital reserve represents the premium received in business combinations and the shareholder's contribution for consideration other than cash.

Securities premium

Securities premium represents the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The Company has established various equity-settled share-based payment plans for certain categories of employees of the Company. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised. (See Note 33 for further details on these plans).

General reserve

General reserve is used to record the transfer from retained earnings of the Company. It is utilized in accordance with the provisions of the Companies Act, 2013.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

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Capital redemption reserve

The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018 and as per the provisions of the Companies Act, 2013, the Capital redemption reserve is used to record the reduction of the share capital of the Company on account of equity shares bought back out of the accumulated profits. It is created in accordance with the provisions of the Companies Act, 2013.

Dividends

The following dividends were declared and paid by the Company during the year :

	31 March 2020	31 March 2019
Interim dividend INR 5/- per equity share (31 March 2019 : INR Nil per equity share)	26.40	-
Final dividend of previous financial year 31 March 2019 : INR 20/- per equity share (31 March 2018 : INR 5/- per equity share)	105.60	26.87
Dividend distribution tax on dividend to equity shareholders	27.04	5.53

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities in the respective years. Dividends attract dividend distribution tax when declared or paid.

	31 March 2020	31 March 2019
INR Nil per equity share (31 March 2019 : INR 20 per equity share)	-	105.60

20A Lease liabilities

	31 March 2020	31 March 2019
Non-current lease liabilities	5.53	-
Current lease liabilities	3.67	-
	9.20	**-**

20B Other financial liabilities

	31 March 2020	31 March 2019
Non-current		
Security deposits received		
from related parties (refer Note 36)	-	1.06
Others	-	0.00*
	-	**1.06**
* amount less than ₹ 1 Lakh		
Current		
Security deposits received		
from related parties (refer Note 36)	1.15	0.08
from parties other than related parties	7.58	6.95
Employees dues	5.07	3.94
Unclaimed dividend	0.07	0.03
Creditors for capital goods	5.86	1.26
	19.73	**12.26**

Investor Education and Protection Fund ('IEPF') - As at 31 March 2020 (31 March 2019 : INR Nil) there is no amount due and outstanding to be transferred to the IEPF by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

21 Provisions

See accounting policy in Note 3(i)

		31 March 2020	31 March 2019
A	**Non-current provisions**		
	Long-term provisions		
	Provision for employee benefits:		
	Provision for compensated absences	6.00	4.94
	Provision for gratuity (refer note 32)	1.88	1.55
		7.88	**6.49**
B	**Current provisions**		
	Short-term provisions		
	Provision for employee benefits:		
	Provision for compensated absences	0.95	0.61
	Provision for gratuity (refer note 32)	0.03	0.02
		0.98	**0.63**

22 Trade payables

	31 March 2020	31 March 2019
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 37(a))	0.70	0.08
- total outstanding dues of creditors other than micro enterprises and small enterprises	18.47	5.29
	19.17	**5.37**

23 Current tax liabilities (net)

	31 March 2020	31 March 2019
Provision for current tax (net of advance tax and tax deducted at source)	0.75	1.01
	0.75	1.01

24 Other current liabilities

	31 March 2020	31 March 2019
Contract liabilities	4.69	4.54
Advance received towards consideration for sale of capital assets held for sale	0.94	-
Statutory dues *	0.82	0.71
	6.45	**5.25**

* Statutory dues include goods and services tax, tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

25 Revenue from operations

	Year ended 31 March 2020	Year ended 31 March 2019
See accounting policy in Note 3(k)		
Sale of products (See Note (i) below)	2.94	2.16
Sale of services (See Note (ii) below)	391.65	365.26
	394.59	**367.42**
Other operating revenue	5.41	2.86
Total	**400.00**	**370.28**
Note:		
(i) Sale of products comprises :		
Traded goods		
Glucose strips/ Gluco meter	2.94	2.16
Total	**2.94**	**2.16**
The Goods and Services Tax (GST) has replaced the excise duty, sales tax/ VAT, etc. w.e.f. 1 July 2017. The revenue from sale of traded goods are excluding GST.		
(ii) Sale of services comprises :		
Diagnostic Services	380.62	354.44
Sale of consumables for providing diagnostic services	11.03	10.82
Total	**391.65**	**365.26**

26 Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income (see Note (i) below)	2.85	3.53
Net gain on investments	4.78	4.15
Technical assistance/ trade mark assignment fees	1.06	1.02
Rental income from property subleases	0.73	0.86
Others (see Note (ii) below)	1.06	4.10
	10.48	**13.66**
Note:		
(i) Interest income comprises:		
Interest from banks on deposits	0.36	0.20
Interest on deposit for electricity	0.04	0.03
Interest on loans	2.39	3.24
Interest others	0.06	0.06
Total - Interest income	**2.85**	**3.53**
(ii) Others comprises:		
Profit on sale of property, plant and equipment	0.01	1.04
Profit on liquidation of non-current investments	0.03	-
Miscellaneous income	1.02	3.06
Total - Others	**1.06**	**4.10**

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

27 a. Cost of materials consumed

	Year ended 31 March 2020	Year ended 31 March 2019
Opening stock	15.26	16.43
Add: Purchases	113.02	102.08
	128.28	**118.51**
Less: Closing stock	18.11	15.26
Cost of material consumed	**110.17**	**103.25**
Material consumed comprises:		
Reagents/ Diagnostics material	100.26	94.71
Consumables - laboratory	8.61	7.01
Consumables - processing	1.30	1.53
	110.17	**103.25**
b. Purchases of stock-in-trade		
Glucose strips/ Gluco meter	2.25	2.33
	2.25	**2.33**
c. Changes in inventories of stock-in-trade		
Inventories at the end of the year:		
Glucose strips/ Gluco meter [includes in transit INR 0.17 crore (31 March 2019 : INR Nil)]	0.38	0.30
	0.38	**0.30**
Inventories at the beginning of the year:		
Glucose strips/ Gluco meter	0.30	0.04
	0.30	**0.04**
Net change	**(0.08)**	**(0.26)**

28 Employee benefits expense

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	35.75	31.70
Contributions to provident and other funds	3.29	3.26
Employees stock compensation expense	2.00	1.93
Gratuity	0.53	0.44
Compensated absences	2.21	1.62
Staff welfare expenses	1.97	1.56
	45.75	**40.51**

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

29 Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Outlab processing	1.47	1.70
Power and fuel and water	6.33	5.70
Rent	0.59	12.07
Repairs and maintenance - Buildings	1.33	1.77
Repairs and maintenance - Machinery	2.90	2.29
Repairs and maintenance - Others	0.00	0.05
Insurance	0.06	0.07
Rates and taxes	0.68	2.01
Communication	0.84	0.99
Service charges	22.57	15.06
Postage and courier	2.85	3.29
Printing and stationery	2.60	2.83
Sales incentive	17.49	12.28
Advertisement expenses	0.55	4.91
Business promotion	5.03	5.71
Legal and professional fees	1.57	0.97
Payments to auditors (See Note (i) below)	0.43	0.45
Loss on foreign exchange fluctuation (net)	-	0.03
Provision for doubtful receivables	1.89	0.47
Corporate social responsibility (See Note (ii) below)	4.09	1.00
Buyback of share/share issue expenses	-	0.78
Miscellaneous expenses	1.93	1.88
	75.20	**76.31**
Notes:		
(i) Payments to the auditors comprises *		
Statutory audit and limited review fees	0.39	0.39
Tax audit fees	0.02	0.02
Fees for certification	-	0.01
Reimbursement of out of pocket expenses	0.02	0.03
	0.43	**0.45**
* Payment to auditors is inclusive of GST, as applicable		
(ii) Details of corporate social responsibility expenditure		
(a) Amount required to be spent by the Company during the year	2.70	2.32
(b) Amount spent during the year (in cash)		
- construction / acquisition of any asset	-	-
- on purpose other than above	4.09	1.00
	4.09	**1.00**

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

30 Income tax

See accounting policy in Note 3(n)

		Year ended 31 March 2020	Year ended 31 March 2019
A.	**Amount recognised in profit or loss**		
	Current tax		
	Current period (a)	43.00	52.90
	Changes in estimates related to prior years (b)	(0.26)	-
	Deferred tax (c)		
	Attirbutable to -		
	Origination and reversal of temporary differences	(10.06)	(1.27)
		(10.06)	**(1.27)**
	Tax expense (a)+(b)+(c)	**32.68**	**51.63**
B.	**Amount recognised in other comprehensive income**		
	Re-measurement gains/ (losses) on defined benefit plans	0.04	0.06
	Tax expense in other comprehensive income	**0.04**	**0.06**
C.	**Reconciliation of effective tax rate**		
	Profit after exceptional items and before income tax	112.00	146.86
	Tax using the Company's domestic tax rate	28.19	51.32
	Effect of :		
	Non-deductible expenses (net)	3.68	2.58
	Tax exempt income	(0.08)	(0.50)
	Others	0.89	(1.77)
	Tax expense as per statement of profit and loss	**32.68**	**51.63**

31 Earnings per share

		Year ended 31 March 2020	Year ended 31 March 2019
(i)	**Basic**		
	Net profit for the year attributable to equity shareholders	79.32	95.23
	Weighted average number of equity shares outstanding during the year	52,810,058	53,387,162
	Face value per share ₹	10	10
	Earnings per share - Basic (₹)	15.02	17.84
(ii)	**Diluted**		
	Net profit for the year attributable to equity shareholders	79.32	95.23
	Weighted average number of equity shares for Basic EPS	52,810,058	53,387,162
	Add: Equity shares reserved for issuance on ESOP	109,147	118,224
	Weighted average number of equity shares - for diluted EPS	52,919,205	53,505,386
	Face value per share ₹	10	10
	Earnings per share - Diluted (₹)	14.99	17.80

Notes to the Standalone Financial Statements

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32 Income tax

A. Defined contribution plans

The Company makes Provident Fund, ESIC and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 2.61 crore (31 March 2019 : INR 2.40 crore) for Provident Fund contributions, INR 0.67 crore (31 March 2019 : INR 0.85 crore) for ESIC contributions and INR 0.01 crore for Maharashtra Labour Welfare Fund (31 March 2019 : INR 0.01 crore) in the Statement of Profit and Loss during the year (See note 28). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company does not expect any further liability other than the specified contributions.

B. Defined benefit plans

The Company offers the following employee benefit schemes to its employees :

Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

		31 March 2020	31 March 2019
a.	**Components of employer expense**		
i.	**Expenses recognised in profit or loss**		
	Current service cost	0.41	0.34
	Interest cost	0.12	0.10
	Total expense recognised in the Statement of Profit and Loss	**0.53**	**0.44**
ii.	**Expenses recognised in other comprehensive income**		
	Actuarial (gain) loss on defined benefit obligations	(0.16)	(0.16)
	Total expense recognised in other comprehensive income	**(0.16)**	**(0.16)**
b.	**Net asset / (liability) recognised in the Balance Sheet**		
	Present value of unfunded obligation	(1.91)	(1.57)
	Net asset / (liability) recognised in the Balance Sheet	(1.91)	(1.57)
	Net asset/ (liability) is bifurcated as follows :		
	Current	(0.03)	(0.02)
	Non Current	(1.88)	(1.55)
	Net asset / (liability) recognised in the Balance Sheet	**(1.91)**	**(1.57)**
c.	**Change in defined benefit obligations (DBO) during the year**		
	Present value of DBO at beginning of the period	1.57	1.32
	Current service cost	0.41	0.34
	Interest cost	0.12	0.10
	Actuarial (gains) / losses	(0.16)	(0.16)
	Benefits paid	(0.03)	(0.03)
	Present value of DBO at the end of the year	1.91	1.57

Notes to the Standalone Financial Statements
for the year ended 31 March 2020
Currency: In crore of INR

		31 March 2020	31 March 2019
d.	**Actuarial assumptions**		
	Discount rate	6.82%	7.76%
	Salary escalation	2% p.a. for next 1 year, 4% p.a. for the year thereafter, 9% p.a. for the year thereafter, 10% p.a. for all years thereafter	10%
	Rate of employee turnover	Employees : For service 2 yrs. & below 35% p.a., For service 3 yrs. to 4 yrs. 20% p.a. & thereafter 2% p.a. Directors : 1% p.a.	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.
	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
e.	**Maturity analysis of the benefit payments from the employer**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	0.03	0.02
	2nd following year	0.05	0.02
	3rd following year	0.03	0.04
	4th following year	0.06	0.03
	5th following year	0.04	0.06
	Sum of years 6 to 10	0.49	0.37
	Sum of years 11 and above	6.82	7.53
f.	**Sensitivity analysis**		
	Projected benefits obligation on current assumptions		
	Delta effect of +1% change in rate of discounting	(0.29)	(0.24)
	Delta effect of -1% change in rate of discounting	0.36	0.31
	Delta effect of +1% change in rate of salary increase	0.29	0.28
	Delta effect of -1% change in rate of salary increase	(0.24)	(0.23)
	Delta effect of +1% change in rate of employee turnover	(0.07)	(0.06)
	Delta effect of -1% change in rate of employee turnover	0.09	0.07

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes to the Standalone Financial Statements

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Currency: In crore of INR

33 Share-based payments

A. Description of share-based payment arrangements

During the year, the Company has offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2019" (ESOS2019) vide authorisation of shareholders in the annual general meeting held on 24 August 2019. The options may be exercised either fully or partially in four equal instalments.

The employees were identified as those who had completed two years of service as on the date of sanction of the scheme, subject to their continuous service till the vesting period.

During the earlier years, the Company had offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2018" (ESOS2018), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017" (ESOS2017), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016" (ESOS2016) and "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015) vide authorisation of shareholders in their meetings held on 1 September 2018, 12 August 2017, 12 September 2016 and 26 September 2015 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, the Company formed a trust, 'Thyrocare Employee Stock Option Trust' wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options granted	Vesting Period	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2019	Saturday, August 24, 2019	40,429	3 years	One year from vesting date	10	10
ESOS2018	Saturday, September 1, 2018	40,452	3 years	One year from vesting date	10	10
ESOS2017	Saturday, August 12, 2017	50,516	3 years	One year from vesting date	10	10
ESOS2016	Monday, September 12, 2016	50,537	3 years	One year from vesting date	10	10
ESOS2015	Saturday, September 26, 2015	40,434	3 years	One year from vesting date	10	10

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

B. Employee stock option activity under the respective schemes is as follows:

Scheme	31 March 2020 No of Options	31 March 2019 No of Options
ESOS2019		
Outstanding at 1 April	-	-
Granted during the year	40,429	-
Forfeited during the year	3,240	-
Outstanding at 31 March	**37,189**	**-**
ESOS2018		
Outstanding at 1 April	37,654	-
Granted during the year	-	40,452
Forfeited during the year	3,384	2,798
Outstanding at 31 March	**34,270**	**37,654**
ESOS2017		
Outstanding at 1 April	43,320	47,610
Forfeited during the year	3,440	4,290
Outstanding at 31 March	**39,880**	**43,320**
ESOS2016		
Outstanding at 1 April	39,526	42,100
Forfeited during the year	1,767	2,574
Exercised during the year	37,759	-
Outstanding at 31 March	**-**	**39,526**
ESOS2015		
Outstanding at 1 April	-	34,714
Forfeited during the year	-	741
Exercised during the year	-	33,973
Outstanding at 31 March	**-**	**-**

C. The key assumptions used to estimate the fair value of options granted during the years ended 31 March 2020 and 31 March 2019:

Scheme	31 March 2020 No of Options	31 March 2019 No of Options
Volatility	21.65%	21.65%
Expected life	3.50 years	3.50 years
Dividend Yield	1.50%	1.50%
Risk-free interest rate (based on government bonds)	6.30%	7.85%
Model Used	Black & Scholes	Black & Scholes

The expense arising from equity settled share based payment transaction amounting to INR 2.00 crore and INR 1.93 crore for the year ended 31 March 2020 and 31 March 2019 respectively have been recognised in the Statement of profit and loss.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

34 Financial instruments - Fair values and risk management

A. Classification of financial assets and liabilities

31 March 2020 31 March 2019	Note	Carrying amount			Total carrying amount
		FVTPL	FVOCI	Amortised cost	
Financial assets					
Investments (other than in subsidiary and associate)	**7B**	**69.03**	**-**	**-**	**69.03**
		74.64	-	-	74.64
Loans	**8A,8B**	**-**	**-**	**18.52**	**18.52**
		-	-	41.11	41.11
Trade receivables	**14**	**-**	**-**	**15.19**	**15.19**
		-	-	11.06	11.06
Cash and cash equivalents	**15**	**-**	**-**	**4.88**	**4.88**
		-	-	4.36	4.36
Other bank balances	**15**	**-**	**-**	**2.42**	**2.42**
		-	-	4.69	4.69
Others	**9,16**	**-**	**-**	**3.54**	**3.54**
		-	-	0.21	0.21
		69.03	**-**	**44.55**	**113.58**
		74.64	**-**	**61.43**	**136.07**
Financial liabilities					
Other financial liabilities	**20B**	**-**	**-**	**19.73**	**19.73**
		-	-	13.32	13.32
Trade payables	**22**	**-**	**-**	**19.17**	**19.17**
		-	-	5.36	5.36
		-	**-**	**48.10**	**48.10**
		-	-	18.68	18.68

Figures in italic pertains to previous year.

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

The fair value of investment in mutual funds is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted investments/units of mutual fund scheme are based on net asset value at the reporting date as published by the mutual fund.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

The following table provides the fair value measurement hierarchy of the Company's financial instruments which are measured at fair value:

	31 March 2020		31 March 2019	
	Total	Quoted prices in active markets (Level 1)	Total	Quoted prices in active markets (Level 1)
FVTPL financial assets				
Investment in Mutual funds (Refer Note 7B)	69.03	69.03	74.64	74.64

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (C) (i));
- liquidity risk (see (C) (ii));
- market risk (see (C) (iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans.

The Company has no significant concentration of credit risk with any counterparty.

Trade receivables and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment terms and conditions are offered. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the management.

The Company limits its exposure to credit risk from trade receivables by establishing a credit limit that is linked to either category of the customer or the security deposits paid by the customer to avail the services.

In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether they are individuals or legal entities, their geographic locations, industry, trading history with the Company and existence of previous financial difficulties, if any.

The Company's exposure to credit risk for trade receivables by type of counter party was as follows -

	Carrying amount	
	31 March 2020	31 March 2019
Trade receivables (net of provisions for doubtful debts)		
Service providers and projects	11.59	7.88
Others	3.60	3.18
	15.19	**11.06**

The Company's exposure to credit risk for trade receivables by geographic region was as follows -

	Carrying amount	
	31 March 2020	31 March 2019
Trade receivables (net of provisions for doubtful debts)		
India	11.87	7.88
Other regions	3.32	3.18
	15.19	**11.06**

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

Expected credit loss (ECL) assessment for individual customers as at 31 March 2019 and 31 March 2020

As per simplified approach the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date.

At 31 March 2020, the ageing of trade receivables that were not impaired was as follows.

In crore of INR	Total		Related parties		Others	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
1-30 days past due	4.77	4.94	0.45	0.32	4.32	4.62
31-60 days past due	3.30	1.72	0.59	0.54	2.71	1.18
61-90 days past due	2.07	1.20	0.38	0.37	1.69	0.83
91-180 days past due	3.56	2.98	1.41	1.95	2.15	1.03
More than 180 days past due	1.50	0.22	0.77	-	0.73	0.22
	15.19	**11.06**	**3.60**	**3.18**	**11.59**	**7.88**

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The Company has an exposure of INR 16.15 crore as 31 March 2020 (31 March 2019 : INR 39.00 crore) for loan given to subsidiary. Such loan is classified as financial asset measured at amortised cost.

The Company did not have any amounts that were past due but not impaired at 31 March 2020. The Company has no collateral in respect of this loan.

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and/or domestic credit rating agencies.

Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in subsidiaries, mutual funds and preference shares. These mutual funds, preference shares and counterparties have low credit risk.

Movement in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables is as follows :

	31 March 2020	31 March 2019
Balance at 1 April	0.77	0.65
Amounts written off against provision	(0.10)	(0.35)
Net remeasurement of loss allowance	1.89	0.47
Balance at 31 March	**2.56**	**0.77**

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflow on financial liabilities over the next twelve months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

Exposure to liquidity risk

The following are remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

	Carrying amount as on 31 March 202031 March 2019	Total	upto 1 year	More than 1 year
Non-derivative financial liabilities				
Trade payables	**19.17**	**19.17**	**19.17**	**-**
	5.36	5.36	5.36	-
Lease Liabilities	**9.20**	**10.97**	**4.43**	**6.54**
	-	-	-	-
Other Financial liabilities	**19.73**	**19.73**	**19.73**	**-**
	13.32	13.32	13.32	-

Figures in italics pertains to previous year.

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Company. The functional currency for large number of transactions of the Company is INR and majority of the customers the Company dealt with operate from India only. The Company receives more than 98% of its revenue from the domestic operations only.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows.

	INR	USD
Trade receivables *	**5.79**	**0.08**
	3.79	0.05
Trade payables	**0.93**	**0.01**
	0.37	0.01
Net exposure in respect of recognized assets and liabilities	**4.87**	**0.07**
	3.41	0.05

* Trade receivables are gross of provision for doubtful debts

Figures in italics pertains to previous year.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR or US dollar at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss	
	Strengthening	**Weakening**
31 March 2020		
INR (10% movement)	0.49	-0.49
31 March 2019		
INR (10% movement)	0.34	-0.34

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

35 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2020	31 March 2019
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a. Income tax demands - TDS matter	49.22	36.85
b. Property tax demand	3.83	3.09
c. Employees provident fund matter	0.52	0.52

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

	31 March 2020	31 March 2019
Commitments		
Commitments relating to long term arrangement with vendors (see note (i))	180.54	279.21

i. The Company has entered into Reagent Rental Arrangements for periods ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are INR 180.54 crore (31 March 2019 : INR 279.21 crore) of which annual commitment for next year is INR 101.57 crore (31 March 2019 : INR 98.93 crore) as per the terms of these arrangements.

36 Related parties

A. Details of related parties:

Description of relationship	Names of related parties
Subsidiary	Nueclear Healthcare Limited
Associates	Equinox Labs Private Limited
	Thyrocare International Holding Company Limited, Mauritius (liquidated during the year ended 31 March 2020)
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	Thyrocare Gulf Laboratories WLL Sumathi Infra Project LLP Sumathi Healthcare Private Limited (Previously known as Sumathi Construction Private Limited)
	Mahima Advertising LLP
	Thyrocare Properties & Infrastructure Private Limited
	Thyrocare Publications LLP
	Pavilion Commercial Private Limited
Key Management Personnel (KMP)	Dr A Velumani, Managing Director
	A Sundararaju, Director
	Amruta Velumani, Director
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
	Anand Velumani (son of Dr A Velumani)
	A Sundararaju HUF (HUF in which A Sundararaju is Karta)
	S Susila (sister of Dr A Velumani)

Notes to the Standalone Financial Statements
for the year ended 31 March 2020

Currency: In crore of INR

B. Transactions with key management personnel

i. Key management personnel compensation

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2020	Year ended 31 March 2019	31 March 2020	31 March 2019
Dr A Velumani	0.00*	0.00*	0.00	0.00
A Sundararaju	0.55	0.60	-	0.04
	0.55	0.60	0.00	0.04

* Amount less than ₹ 0.01 crore

As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial personnel are not separately determined and hence not included in the above amounts.

ii. Transactions with key management personnel including directors

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2020	Year ended 31 March 2019	31 March 2020	31 March 2019
Dividend paid				
Dr A Velumani	37.02	7.40	-	-
A Sundararaju	0.62	0.12	-	-
Amruta Velumani	1.88	0.38	-	-

C. Related party transaction other than those with key management personnel

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2020	Year ended 31 March 2019	31 March 2020	31 March 2019
Rent Paid / payable				
Sumathi Healthcare Private Limited (previously known as Sumati Construction Private Limited)	-	0.56	-	-
Nueclear Healthcare Limited	-	0.39	-	-
Rent received / receivable				
Nueclear Healthcare Limited	0.73	0.87	-	-
Outlab processing charges paid / payable				
Equinox Labs Private Limited	0.02	0.07	0.03	0.03
Payment of lease liabilities				
Nueclear Healthcare Limited	0.54	-	0.52	-
Sumathi Healthcare Private Limited (previously known as Sumati Construction Private Limited)	0.64	-	0.35	-
Lease payments received from sub-leases				
Nueclear Healthcare Limited	0.21	-	0.71	-
Revenue from operations				
Thyrocare Gulf Laboratories WLL	3.96	3.85	2.53	1.80
Nueclear Healthcare Limited	0.89	-	0.25	-
Receipt on liquidation of investment				
Thyrocare International Holding Company Ltd, Mauritius	0.03	-	-	-
Loss on liquidation of investment (for which provision made in earlier years)				
Thyrocare International Holding Company Ltd, Mauritius	1.59	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2020	Year ended 31 March 2019	31 March 2020	31 March 2019
Provision for doubtful trade receivables				
Thyrocare Gulf Laboratories WLL	1.62	-	2.27	0.65
Loans to subsidiary				
Nueclear Healthcare Limited	-	14.50	16.15	39.00
Loans repaid by subsidiary				
Nueclear Healthcare Limited	25.00	-	-	-
Interest income				
Nueclear Healthcare Limited	2.39	3.24	-	-
Reimbursement of expenses paid				
Nueclear Healthcare Limited	0.18	1.01	-	-
Thyrocare Gulf Laboratories WLL	0.36	0.12	-	-
Sumathi Healthcare Private Limited (previously known as Sumati Construction Private Limited)	0.43	-	-	-
Reimbursement of expenses received				
Nueclear Healthcare Limited	0.99	0.16	-	-
Sumathi Healthcare Private Limited (previously known as Sumati Construction Private Limited)		-	-	-
Technical assistance fees income				
Thyrocare Gulf Laboratories WLL	1.06	0.98	3.09	2.03
Dividend paid				
Anand Velumani	1.58	0.32	-	-
Dr A Velumani HUF	3.55	0.46	-	-
A Sundararaju HUF	6.04	1.21	-	-
Sumathi Infra Project LLP	3.94	0.79	-	-
Mahima Advertising LLP	3.15	0.63	-	-
Thyrocare Properties & Infrastructure Private Limited	13.04	2.61	-	-
Thyrocare Publications LLP	16.34	3.27	-	-
Pavilion Commercial Private Limited	0.03	-	-	-
Investment in equity instruments (At historical cost)				
Equinox Labs Private Limited	-	-	20.00	20.00
Nueclear Healthcare Limited	-	-	194.67	194.67
Provision for impairment of investment in subsidiary company				
Nueclear Healthcare Limited	(44.33)	-	(44.33)	-
Security deposit taken				
Nueclear Healthcare Limited	-	-	1.15	1.15
Security deposit given				
Nueclear Healthcare Limited	-	-	0.04	0.04

Notes :

i. The key management personnel, or their related parties, hold position in other entities that result in them having control or significant influence over these entities. These entities transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were at arm's length and in the normal course of the business.

ii. Thyrocare International Holding Company was in the process of liquidation and the process of liquidation has been completed during the current year.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

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37 Additional information to the financial statements

a. Due to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the information and records available with the Management, the outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure. This has been relied upon by the auditors.

		31 March 2020	31 March 2019
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.70	0.08
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

b. The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10 each at a price of ₹ 446 by the Selling shareholders during the Financial Year 2016-2017.

The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

c. In accordance with Indian Accounting Standard 108 'Operating Segment', segment information has been given in the consolidated financial statements of the Company. The Company has presented segment information in the consolidated financial statement which are presented in the same annual report.

d. The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2019. The Company will undertake a study for transactions upto 31 March 2020 and an independent opinion will be obtained for the same. Management believes that the Company's international transactions and domestic transactions with related parties post 31 March 2019 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

e. The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

f. Disclosure as per Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties :

Name of party	Relationship	Amount outstanding as at		Maximum balance outstanding during the year	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
Nueclear Healthcare Limited	Wholly owned subsidiary company	16.15	39.00	39.00	39.00

The above loan was given to the subsidiary for its business activities at an interest rate at 9% p.a. (31 March 2019 : 9% p.a.).

Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows :

(i) Details of investments made are given in Note 6 and Note 7.

(ii) Details of the loans given by the Company is given in Note 8A.

(iii) There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

g. Disclosure as per the Advisory issued by the Securities and Exchange Board of India of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'LODR Regulations'/ 'LODR')

The novel coronavirus [COVID-19] pandemic is spreading around the globe rapidly. The virus has taken its toll on not just human life, but business and financial markets too, the extent of which is currently indeterminate.

Impact on business

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations of the Company's (collection centers, imaging centers, centralized processing laboratory, regional processing laboratories and offices, etc.) are scaled down or shut down from second half of March 2020. Although some of the states have initiated measures to lift the lockdown either partially or fully, the duration of this lockdown is uncertain at this point in time in other states. Though the Company is engaged in providing essential medical services, in view of the fact that containment of COVID-19 is a priority of the State Governments and Central Government, resumption of full-fledged operations for other than COVID-19 tests will depend upon directives issued by the Government authorities.

While this has adversely impacted the performance of the Company, the Company is also authorized by ICMR, to perform COVID-19 tests using RT-PCR technology, the Company has accordingly initiated the process and currently processed more than 30,000 COVID-19 tests using RT-PCR technology.

With the outbreak of COVID-19 pandemic, the business of Nueclear Healthcare Limited, a subsidiary company was adversely impacted. The last few weeks of the financial year witnessed a sharp drop in scheduled scans of the cancer patients across all locations, mainly on account of directives issued by the Government, lack of transportation to commute at the centers and other such reasons.

This necessitated the subsidiary to take certain measures to mitigate the losses.

Estimation uncertainty arising from COVID

The Company continue to closely monitor the situation and take appropriate action, as necessary to scale up operations, in due compliance with the applicable regulations. As per the Company's current assessment other than as disclosed in Note 7A, there is no significant impact estimated in respect of the carrying amounts of assets of the Company including inventories, intangible assets, trade receivables, investments and other financial assets, and the Company continues to

Notes to the Standalone Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

closely monitor changes in future economic conditions. In view of the estimation uncertainty arising from the unprecedented nature of the COVID-19 pandemic, the eventual outcome of the impact of the pandemic may be different from that estimated as on the date of approval of these financial results.

Schedule for restarting operations

The operations of the Company were continued during the period of lockdown though not on full-fledged basis and the operations for those locations completely shut down will be resumed after assessment of the conditions and in compliance with Government directives.

Steps taken for smooth functioning of operations

The business of the Company largely depends on the test requisitioned by the medical practitioners, hospitals, clinics and dispensaries. The tests requisitioned are processed at the centralised processing laboratory or at regional processing laboratory. The Company has adequate resources to ensure that the samples are routed to the centralised processing laboratory or at regional processing laboratory, once the medical practitioners resume their practice after lifting of lockdown.

The Company has ensured to maintained the stock of reagents, consumables and other materials to ensure the availability till the transport modes are fully functional and resume to normalcy after lifting of lockdown.

The employees and field personnel of the Company, since mostly are resident of and around the respective laboratory/ office, after lifting of lockdown, immediately they are available for resuming operations of the Company.

Meanwhile, the Company, being engaged into healthcare, has already taken all adequate measures to ensure safety of its employees, executives, senior employees, directors, vendors and customers, to ensure smooth and safe functioning of operations.

Impact on capital and financial resources

The Company has conserved its capital and financial resources over the year to mitigate any short term impact on account of COVID-19 like situations. Though the financial resources of the Company were impacted in short run partly on account of cessation of regular business and scaling down of operations during the lockdown period, the Company continues to fulfil its obligations towards its employees and vendors. There was minimal impact on capital and financial resources of the Company during the last quarter of current financial year.

Other disclosures

The Company has conserved sufficient liquid resources to ensure the operations of the Company are conducted smoothly.

The company has no debt obligations as on date and there are no any impact foreseen on the assets of the Company, other thant already disclosed in this financial statement or this disclosure.

The Company has inculcated prudent financial discipline among the management team to ensure maintenance and improvising the financial stability and strength of the Company through enhanced internal financial reporting and better control.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Independent Auditors' Report

To the Members of Thyrocare Technologies Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Thyrocare Technologies Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries, Nueclear Healthcare Limited and Thyrocare Employees Stock Option Trust (Holding Company and its subsidiaries together referred to as "the Group"), and its associate, Equinox Labs Private Limited, which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income),consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the unaudited financial statements of the Thyrocare Employees Stock Option Trust('the Trust') and the associate, as certified by the Board, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group,its associates, joint ventures and joint operations in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

The Key Audit Matter	How the matter was addressed in our audit
Impairment testing of goodwill (Impairment charge recorded: ₹ 6.58 crore) **Refer to note 3(E) to the consolidated financial statements**	
The consolidated balance sheet of the Group includes goodwill amounting to ₹ 106.86 crore as at 31 March 2020 (31 March 2019: ₹ 106.86 crore) that has arisen as a result of a past acquisition of a subsidiary company in the Group, Nueclear Healthcare Limited ('NHL'). Management has carried out the annual impairment assessment of goodwill as per Ind AS 36 'Impairment of Assets'. Impairment testing of goodwill will require the Group to estimate the recoverable value of the cash generating unit (CGU) applying an appropriate valuation model such as the Discounted Cash flow model (DCF). The valuation process is complex and involves significant judgment in considering various forward-looking assumptions and estimates. Considering the complexity, the magnitude of potential impact and the judgement necessary to estimate the amount of impairment, this is identified as a key audit matter	Our audit procedures included – — Obtained an understanding of management's impairment assessment process and their determination of recoverable amount of the CGU; — Obtained the Company's assessment of the recoverable value of the CGU basis the valuation prepared by Management; — Involved our valuation specialist to test the appropriateness of the valuation model and the critical judgements made by Management; — Assessed and challenged the future cash flows of the CGU forecasted by the Company for the purpose of valuation; — performed sensitivity analysis around the key assumptions, to ascertain the extent to which adverse changes, both individually or in aggregate, could impact the analysis; — Assessed and tested the appropriateness of disclosures in the financial statements.

The Key Audit Matter	How the matter was addressed in our audit
Revenue recognition	
Revenue from sale of testing services is recognized at a point in time once the testing samples are processed for requisitioned diagnostic tests. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. Also, there is a risk of revenue being mistated through alteration of the timing of transfer of control arising from pressure to achieve performance targets and meeting external expectations at the year end.	Our audit procedures included – — Assessing the compliance of the revenue recognition accounting policies by comparing with Ind AS 115 "Revenue from Contracts with Customers"; — Testing the design, implementation and operating effectiveness of the Company's general Information Technology (IT) controls, by involving our IT specialists; — Testing the design, implementation and operating effectiveness of key IT application/manual controls over the Company's systems for revenue recognition, by involving our IT specialists. — Tested the reconciliation of revenue recorded as per the billing/operations system to the revenue recorded as per the accounting system — Performing substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year end) and tracing underlying documentation. — Assessing manual journals posted to revenue to identify unusual items. — Considering the adequacy of the Company's disclosures in respect of revenue

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done, 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 and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate, are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate, is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures and joint operations to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures and joint operations to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) The financial statements of the Trust, whose financial statements/financial information reflect total assets of ₹ 0.00 crore *as at 31 March 2020, total revenues of ₹ Nil and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit(and other comprehensive income) of ₹ 0,51 crore for the year ended 31 March 2020, as considered in the consolidated financial statements, in respect of its associate, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Trust and the associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid Trust and associate, is based solely on such unaudited financial statements.

In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

*less than ₹ 1 lakh

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the Management from directors of its associate as on 31 March 2020, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary and associate incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group and its associate. Refer Note 37 to the consolidated financial statements.

ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company or associate incorporated in India during the year ended 31 March 2020.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amar Sunder
Partner
Membership Number: 078305
ICAI UDIN:20078305AAAABA9546

Place: Mumbai
Date: 23 May 2020

Annexure A to the Independent Auditors' report on the consolidated financial statements of Thyrocare Technologies Limited for the year ended 31 March 2020

Report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of Thyrocare Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2020 we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiaries and its associate, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and its associate company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amar Sunder
Partner
Membership Number: 078305
ICAI UDIN:20078305AAAABA9546

Place: Mumbai
Date: 23 May 2020

Consolidated Balance Sheet

as at 31 March 2020

Currency: In crore of INR

	Note	31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4	142.96	185.78
Capital work-in progress	4	4.93	1.47
Goodwill on consolidation	3(e)	100.28	106.86
Other intangible assets	5A	1.16	1.66
Right-of-use lease assets	5B	24.69	-
Equity accounted investees	6	21.17	20.66
Financial assets			
Loans	8	4.26	4.19
Other financial assets	9	2.82	-
Deferred tax assets (net)	10	0.48	5.14
Non-current tax assets	11	9.43	7.97
Other non-current assets	12	4.90	4.97
Total non-current assets		**317.08**	**338.70**
Current assets			
Inventories	13	20.62	18.08
Financial assets			
Investments	7	69.03	74.64
Trade receivables	14	16.56	12.16
Cash and cash equivalents	15	8.71	4.91
Other bank balances	15	2.36	4.69
Loans	8	0.66	0.07
Other financial assets	16	0.04	0.23
Other current assets	17	3.13	2.48
Assets held for sale	4	31.14	18.76
Total current assets		**152.25**	**136.02**
Total assets		**469.33**	**474.72**
Equity and liabilities			
Equity			
Equity share capital	18	52.84	52.79
Other equity	19	313.82	382.33
Equity attributable to owners of the Company		**366.66**	**435.12**
Non-controlling interests		**-**	**-**
Total equity		**366.66**	**435.12**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	2.50	2.50
Lease liabilities	21A	5.69	-
Other financial liabilities	21B	-	9.79
Provisions	22A	8.16	6.72
Deferred tax liabilites (net)	10	4.63	-
Total non-current liabilities		**20.98**	**19.01**
Current liabilities			
Financial liabilities			
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		0.70	0.07
- total outstanding dues of creditors other than micro enterprises and small enterprises		21.16	7.44
Lease liabilities	21A	4.25	-
Other financial liabilities	21B	22.18	5.85
Current tax liabilities (net)	24	0.75	1.01
Provisions	22B	1.01	0.66
Other current liabilities	25	31.64	5.56
Total current liabilities		**81.69**	**20.59**
Total equity and liabilities		**469.33**	**474.72**
Significant accounting policies	2-3		
Notes to the Consolidated Financial Statements	1-39		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Consolidated Statement of Profit and Loss

for the year ended 31 March 2020

Currency: In crore of INR

	Note	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations	26	433.20	402.91
Other income	27	7.73	9.95
Total income		**440.93**	**412.86**
Expenses			
Cost of materials consumed	28a.	114.92	108.46
Purchases of stock-in-trade	28b.	2.25	2.33
Changes in inventories of stock-in-trade	28c.	(0.08)	(0.26)
Employee benefits expense	29	48.92	43.35
Finance cost		1.85	0.61
Depreciation and amortisation expense	4,5	31.91	26.17
Other expenses	30	94.67	94.80
Total expenses		**294.44**	**275.46**
Profit before exceptional items, share of profit of associate and income tax		**146.49**	**137.40**
Exceptional items	39e.		
Provision for impairment of investments in subsidiary company		(6.58)	-
Share of profit in associate entity	6	**0.51**	**0.66**
Profit after exceptional items, share of profit of associate and before income tax		**140.42**	**138.06**
Tax expense:	31		
Current tax		42.75	52.90
Deferred tax		9.26	0.02
		52.01	**52.92**
Profit after tax		**88.41**	**85.14**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		0.16	0.18
Income tax effect	10	(0.04)	(0.07)
Other comprehensive income for the year, net of income tax		**0.12**	**0.11**
Total comprehensive income for the year		**88.53**	**85.25**
Earnings per share [Nominal value of ₹ 10 each]:			
(a) Basic earnings per share (INR)	32(i)	16.74	15.95
(b) Diluted earnings per share (INR)	32(ii)	16.71	15.91
Significant accounting policies	2-3		
Notes to the Consolidated Financial Statements	1-39		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

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Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Consolidated Statement of Changes in Equity

for the year ended 31 March 2020

Currency: In crore of INR

a. Equity share capital

	Note	Amount
Balance as at 1 April 2018		53.72
Changes in equity share capital during 2018-19	18	(0.92)
Balance as at the 31 March 2019		**52.80**
Changes in equity share capital during 2019-20	18	0.04
Balance as at the 31 March 2020		**52.84**

b. Other equity

	Note	Reserves and surplus						Total
		Capital reserve	Securities premium	Share options outstanding	General reserve	Capital redemption reserve	Retained earnings	
Balance as at 1 April 2018		31.71	127.22	2.82	9.17	-	218.65	389.57
Total comprehensive income for the year ended 31 March 2019								
Profit or loss		-	-	-	-	-	85.14	85.14
Other comprehensive income (net of tax)		-	-	-	-	-	0.11	0.11
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**85.25**	**85.25**
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Exercise of employee stock options	19(c)	-	0.86	(0.86)	-	-	-	-
Buyback of shares	19(b)	-	(63.00)	-	-	0.96	-	(62.04)
Employee stock option compensation expense for the year	19(c)	-	-	1.93	-	-	-	1.93
Final/Interim dividend on equity shares	19(f)	-	-	-	-	-	(26.86)	(26.86)
Dividend distribution tax	19(f)	-	-	-	-	-	(5.52)	(5.52)
Total contributions by and distributions to owners		-	(62.14)	1.07	-	0.96	(32.38)	(92.49)
Dividend distribution tax	19(f)	-	-	-	-	-	(5.53)	(5.53)
Total contributions by and distributions to owners		**-**	**(62.14)**	**1.07**	**-**	**0.96**	**(32.40)**	**(92.51)**
Balance as at the 31 March 2019		**31.71**	**65.08**	**3.89**	**9.17**	**0.96**	**271.52**	**382.33**
Balance as at 1 April 2019		31.71	65.08	3.89	9.17	0.96	271.52	382.33
Total comprehensive income for the year ended 31 March 2020								
Profit or loss		-	-	-	-	-	88.41	88.41
Other comprehensive income (net of tax)		-	-	-	-	-	0.12	0.12
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**88.53**	**88.53**
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Exercise of employee stock options	19(b)	-	2.16	-	-	-	-	2.16
Employee stock option compensation expense for the year	19(c)	-	-	2.00	-	-	-	2.00
Final/Interim dividend on equity shares	19(f)	-	-	-	-	-	(132.00)	(132.00)
Dividend distribution tax	19(f)	-	-	-	-	-	(27.04)	(27.04)
Transfer to securities premium account on exercise of stock option	19(c)	-	-	(2.16)	-	-	-	(2.16)
Total contributions by and distributions to owners		**-**	**2.16**	**(0.16)**	**-**	**-**	**(159.04)**	**(157.04)**
Balance as at the 31 March 2020		**31.71**	**67.24**	**3.73**	**9.17**	**0.96**	**201.01**	**313.82**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Consolidated Statement of Cash Flows

for the year ended 31 March 2020

Currency: In crore of INR

		Note	Year ended 31 March 2020	Year ended 31 March 2019
A.	**Cash flows from operating activities**			
	Net profit before exceptional items, share of profit of associate and income tax		146.49	137.40
	Adjustments for:			
	Depreciation and amortisation	4,5	31.91	26.17
	Net (gain) on investments	27	(4.78)	(4.15)
	Net (gain) on liquidation of non current investments	27	(0.03)	-
	(Profit)/ Loss on sale of property, plant and equipment	27,30	(0.01)	(1.04)
	Unrealised gain on foreign exchange fluctuation	30	-	(0.01)
	Provision for doubtful receivables	30	1.89	0.47
	Buyback of share expenses	30	-	0.78
	Finance cost		1.85	0.61
	Employee stock compensation expense	29	2.00	1.93
	Interest income	27	(0.70)	(0.60)
			32.13	**24.17**
	Operating profit before working capital changes		178.62	161.57
	(Increase) in Inventories	13	(2.54)	(1.03)
	(Increase) in Trade receivables	14	(6.29)	(2.79)
	(Increase) in Loans and advances	8	(0.71)	(0.94)
	(Increase)/ Decrease in Other assets	9,12,16,17	(0.71)	0.21
	Increase in Trade payables	23	14.35	0.91
	Increase in Other liabilities	21B,25	27.47	1.09
	Increase in Provisions	22	1.95	1.90
			33.52	**(0.65)**
	Cash generated from operations		212.14	160.92
	Net income tax paid		(44.51)	(60.61)
	Net cash flows from operating activities (A)		**167.63**	**100.31**
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, additions to capital work in progress and capital advances	4,5	(9.90)	(40.25)
	Proceeds from sale of property, plant and equipment	4	0.02	1.34
	Proceeds from liquidation of non current investments	6	0.03	-
	Purchase of current investments	7	(132.84)	(112.50)
	Proceeds from sale of current investments	7	142.90	140.68
	Dividend received	27	0.34	1.44
	Bank deposits (having original maturity of more than 3 months)	15	(0.50)	(2.65)
	Interest received	16,27	0.90	0.35
	Net cash from/ (used) in investing activities (B)		**0.95**	**(11.59)**

Consolidated Statement of Cash Flows (Contd.)

for the year ended 31 March 2020

Currency: In crore of INR

		Note	Year ended 31 March 2020	Year ended 31 March 2019
C.	**Cash flows from financing activities**			
	Proceeds from issue of equity shares	18	0.04	0.04
	Equity shares bought back	18	-	(63.00)
	Buyback of shares - share issue expenses	30	-	(0.78)
	Unsecured loan taken from related party	20	-	2.50
	Payment towards principal portion of lease liabilities	5B	(4.39)	-
	Payment towards interest portion of lease liabilities		(1.26)	
	Dividend paid on equity shares	19(f)	(131.96)	(26.86)
	Tax paid on dividend	19(f)	(27.04)	(5.52)
	Interest paid		(0.17)	(0.01)
	Net cash used in financing activities (C)		**(164.78)**	**(93.63)**
	Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)		**3.80**	**(4.91)**
	Cash and cash equivalents at the beginning of the year		4.91	9.82
	Cash and cash equivalents at the end of the year		**8.71**	**4.91**

Notes to cash flow statement

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7, "Statement of cash flows".

2 Reconciliation of cash and cash equivalents with the balance sheet:

Particulars	31 March 2020	31 March 2019
Cash and cash equivalents (refer note 15)	8.71	4.91
Balance as per statement of cash flows	**8.71**	**4.91**

3 Reconciliation of the movements of liabilities to cash flows arising from financing activities :

Particulars	Borrowings	Lease liabilities	Total
Balance at 1 April 2019	2.50	**-**	2.50
Balances recognised during the year on transition to Ind AS 116		**13.38**	13.38
Changes from financing cash flows			
Repayment of lease liabilities - principal portion	-	(4.39)	(4.39)
Payment of interest on lease liabilities	-	(1.26)	(1.26)
Repayment of borrowings	-	-	-
Payment of interest on borrowings	(0.20)	-	(0.20)
Total changes from financing cash flows	**(0.20)**	**(5.65)**	**(5.84)**
Other changes			
Additional lease liabilities recognised during the year	-	0.95	0.95
Interest expense	0.20	1.26	1.46
Balance at 31 March 2020	**2.50**	**9.94**	**12.44**

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

1 Reporting entity

Thyrocare Technologies Limited (the "Company") alongwith its subsidiaries Nueclear Healthcare Limited and Thyrocare Employees Stock Option Trust [collectively referred to as the "Group"], is one of India's leading healthcare services providers in diagnostic segment. The consolidated financial statements include financial statements of the Company, its Subsidiaries and its associate, Equinox Labs Private Limited. The Group has a centralised fully automated diagnostic testing laboratory, regional processing laboratories, a medical cyclotron facility and PET-CT facilities across the country. The Company has been incorporated under the provisions of the Companies Act in India and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company's subsidiaries and associate are also domiciled in India.

2 Basis of preparation

A. Statement of compliance

These consolidated Ind AS financial statements (hereinafter referred to as 'consolidated financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorized for issue by the Company's Board of Directors on 23 May 2020.

The details of the accounting policies are included in Note 3.

B. Functional and presentation currency

These consolidated financial statements are prepared in India Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

C. Basis of measurement

The consolidated financial statements are prepared on the historical cost basis except for the following items :

Items	Measurement basis
Certain financial assets	Fair value
Employee shared-based payments	Fair value
Liabilities for employee benefit obligations	Present value of defined benefit obligations

D. Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes :

Note 3(e) - Impairment testing for goodwill generated on consolidation.

Note N – leases : whether an arrangement contains a lease and lease classification;

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are included in the following notes:

Note 3(e) - Impairment testing for goodwill generated on consolidation;

Note 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life;

Note 9 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 33 – measurement of defined benefit obligations: key actuarial assumptions; and

Note 37 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

E. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company, in some cases, makes use of valuation certificates obtained from third party professionals for determining significant fair value measurement.

The group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as statements of asset management companies managing the mutual fund schemes, is used to measure fair values, then the group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues, if any, are reported to the company's audit committee.

Fair value is categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities (includes mutual funds that have quoted price/ declared NAV).

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes :

- Note 4C – investment property;

- Note 34 – share-based payment arrangements; and

- Note 35 – financial instruments.

F. Principles of consolidation and equity accounting

(i) Business combinations

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2016.

In respect of business combinations, goodwill represents the amount recognised under the Group's previously accounting framework under Indian GAAP.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used for business combination by the group.

The Group assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member in the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Consolidation procedure :

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combination policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group.

(iii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

(v) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in an associate.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associate is accounted for using the equity method. This is initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3 Significant accounting policies

A. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

B. Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) the group does not have an unconditional right to defer settlement of liability for atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current - non-current classifications of assets and liabilities.

C. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities are translated at the rate at the date of the transaction. Exchange differences are recognised in statement of profit or loss.

D. Financial instruments

(i) Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;

- Fair value through other comprehensive income (FVTOCI); or

- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI — equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable interest rate features;

- prepayment and extension features; and

- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective at amortised interest method. The amortised cost is reduced by impairment losses. Interest cost / income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value, Dividends are recognised as income in profit of loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

E. Goodwill on consolidation

Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination.

The Group's goodwill on consolidation are tested for impairment annually or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates and revenue growth rates. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts and Management's estimates of the future growth in the business. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

Accordingly, the Group tested the goodwill on consolidation for impairment as at 31 March 2020. The Group prepared its cash flow forecasts based on the most recent financial forecasts approved by management with projected revenue growth rates ranging from 10% to 15% over a 10 year forecast period which in Management's assessment was the most appropriate period to consider given the inherent nature of the business which involves a significant initial gestation period before centres reach break-even and the growth potential in the industry that exists considering various factors including the past experience. Growth rate used for extrapolation of cash flows beyond the period covered by the forecasts is 3%. The rates used to discount the forecasted cash flows is 14.73%%. Management believes that any reasonable possible change to the discount rate or revenue growth rate could have an impact on the recoverable amount, however, Management believes the assumptions considered represent Management's best estimate as at 31 March 2020.

The goodwill carried in the balance sheet has arisen as a result of a past acquisition of a subsidiary company in the Group, Nueclear Healthcare Limited ('NHL') and NHL is considered to be the relevant CGU for the goodwill impairment test. The Group assessed the recoverable amount of the 'CGU as at 31 March 2020 as the higher of Fair Value less Cost of Disposal (the 'FVCOD') and the Value in Use (the 'VIU'). The difference between the carrying amount of CGU as at 31 March 2020 as per the consolidated financial statements, and the recoverable amount determined has resulted in an impairment charge of INR 6.58 crore, being recognised as an exceptional item for the year ended 31 March 2020 in the consolidated financial statements.

Accordingly, the carrying amount of goodwill is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Goodwill on consolidation	100.28	106.86

Discount rates

Management estimates discount rates using pre-tax rates that reflects current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the company and its operating segments and is derived from its weighted average cost of capital (WACC).

Growth rates

The growth rates are based on industry growth forecasts and Management's best estimates of the expected future growth. Management determines the forecasted growth rates based on past performance and its expectations of market development.

F. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iv) Depreciation

Depreciation is calculated on cost' of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	60 Years	60 Years
Plant and equipment (diagnostic equipment)	13 Years	13 Years
Plant and equipment (others)	15 Years	15 Years
Office equipment	5 Years	5 Years
Furniture and fittings	10 years	10 years
Computers	3-6 years	3-6 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

(v) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

G. Other Intangible assets

Before transition to Ind AS, other intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The intangible assets acquired by the Group, after transition to Ind AS are measured at fair value.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Softwares - 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

H. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials, components and other supplies held for use in processing are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

I. Impairment

(i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and

At each reporting date, the Group assesses whether financial assets carried at amortised cost. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as a default or being past due for 90 days or more;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or - the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward- looking information.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

J. Non-current assets, or disposal groups held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

K. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iv) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

(vi) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

L. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

M. Revenue from operations

Revenue includes only the gross inflows of economic benefits. It is measured based on the consideration specified in the contracts with customers. Amounts collected on behalf of third parties such as goods and services taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they are excluded from revenue.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time requires judgement.

Revenue stream	Nature and timing of satisfying performance obligations, including significant payment terms	Revenue recognition under Ind AS 115
Sale of services	Customers obtain control of the service at the time of receipt of relevant test reports. Customers generally pay upfront before availing diagnostic services or before undergoing scans and in case of tie-up customers, the credit period offered generally ranged from 15 days to 30 days. The Group generally does not have refund/warranty obligations.	Revenue from sale of testing services is recognized at a point in time once the testing samples are processed for requisitioned diagnostic tests.
Sale of goods	Customer obtains control of goods when the goods are delivered to the customer's premise or other agreed upon delivery point where the customer takes control of the goods. The credit period offered to customers generally ranged from 30 days to 90 days. The Company generally does not have refund/warranty obligations.	Revenue is recognized at a point in time when the goods are delivered at the agreed point of delivery which generally is the premises of the customer.

Income from technical assistance and trade mark assignment is recognised once the Company's right to receive the revenue is established by the reporting date. Income from technical assistance and trademark is recognised as an agreed percentage of the turnover of the respective entities, as per the terms of the respective agreements.

N. Leases

The Group has applied Ind AS 116 Leases, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AS 17. The details of accounting policies under AS 17 are disclosed separately if they are different from those under Ind AS 116 and the impact of changes is disclosed separately in this note.

Policy applicable from 1 April 2019

At inception of a contract, the Group assesses whether a contract is, or contains, a lease, A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether :

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of physically distinct asset. If the supplier has a substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either :
  - o the Group has the right to operate the asset; or
  - o the Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019.

An inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a singly lease component.

(i) As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following :

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property, separately, in Note 5B 'Right of use long term leases (net of net investment in sub-leases)' and lease liabilities in Note 21A 'Other financial liabilities - Non-current' and Note 21B 'Other financial liabilities - Current', in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term-leases of machinery that have a lease term of 12 months of less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy applicable before 1 April 2019

For contracts entered into before 1 April 2019, at inception of an arrangement, it is determined whether the arrangement is or contains a lease. The arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets. Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) ***As a lessor***

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use assets arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognizes lease payments received under operating leases as income on a straight–line basis over the lease term as part of 'other income'.

The accounting policies applicable to the Group as a lessor in the comparative period were not different from Ind AS 116. However, when the Group was an intermediate lessor the sub-leases were classified with reference to the underlying asset

The Group presents right-of-use assets those were sub-leased, if any, as net-off, in Note 5B 'Right of use long term leases (net of net investment in sub-leases)' and receivables against such long term sub-leases in Other Non-current of Current financial assets.

Maturity Analysis of Lease liabilities as at 31 March 2020 on an undiscounted basis:

Particulars	As at 31 March 2020 in ₹ crore
Less than one year	5.11
More than one year	6.71
Total	**11.82**

Lease liabilities recorded in the Balance sheet as at 31 March 2020

Particulars	As at 31 March 2020 in ₹ crore
Non-current portion	5.69
Current portion	4.25
Total	**9.94**

Amounts recognized in the statement of profit and loss

Particulars	Amount in ₹ crore
Interest expense on leases (recorded under Finance Cost in the statement of profit and loss)	1.31
Depreciation on right-of-use assets for the year (refer note 5B for further details)	5.04
Expenses relating to short term leases recorded in note 29 under Rent	1.19

Amount recognized in the statement of cash flows:

Particulars	Amount in ₹ crore
Total cash outflow on account of leases	6.84

(iii) ***Other leases***

The lease for the land at central processing laboratory premises was transferred in the name of the Group about 10 years ago. The lease premium paid to the landlord on transfer of lease rights in favor of the Group, is capitalised in the books and amortised over the period of the lease.

Equipment placement arrangements

The Group uses testing equipment (analysers) under a number of reagent rental arrangements. Some of these arrangements provide the Group with option to purchase the equipment at the end of lease term at mutually negotiated price as well as an obligation to purchase the equipment at stipulated price in the event of premature termination.

Some of these arrangements are not in the legal form of lease, but a portion of the cost paid to the vendors for is considered to contain a lease element due to the nature of the contractual terms.

On transition to Ind AS 116, however the Group recognized the commitment outstanding, under these equipment placement arrangements, as on the date of transition, at the present value discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate as a right-of-use asset and a lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Change in accounting policies

Except for the changes below, the Group has consistently applied the accounting policies to all periods presented in these standalone financial statements.

The Group applied Ind AS 116 with a date of initial application of 1 April 2019. As a result, the Group has changed its accounting policy for lease contracts as detailed below.

The Group applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1 April 2019. The details of the changes in accounting policies are disclosed below.

A. Definition of a lease

Previously, the Group determined at contract inception whether an arrangement is or contains a lease. Under Ind AS 116, the Group assesses whether a contract is or contains a lease based on the definition of a lease, as explained earlier in this Note K.

On transition to Ind AS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transaction are leases. It applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under AS 17 were not reassessed for whether there is a lease. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

B. As a lessee

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognizes right-of-use assets and lease liabilities for most leases – i.e. these leases are on balance sheet.

The Group decided to apply recognition exemption to short-term leases of machinery and lease of IT equipment.

(i) Leases classified as operating leases under AS 17

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at either :

- o their carrying amount as if Ind AS 116 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application – the Group applied this approach to its largest property leases; or
- o an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments – the Group applied this approach for all other leases.

The Group used the following practical expedients when applying IndAS 116 to leases previously classified as operating leases under AS 17.

- o applied a single discount rate to a portfolio of leases with similar characteristics.
- o applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.
- o excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- o Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

C. As a lessor

The Group is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Group accounted for its leases in accordance with Ind AS 116 from the date of initial application.

Under Ind AS 116, the Group is required to assess the classification of a sub-lease with reference to the right-of-use asset, not the underlying asset. On transition, the Group reassessed the classification of a sub-lease contract previously classified as an operating lease under AS 17. The Group concluded that the sub-lease is a finance lease under Ind AS 116.

The Group applied Ind AS 115 Revenue from contracts with customers to allocate consideration in the contract to each lease and non-lease component.

D. Impacts on financial statements

On transition to Ind AS 116, the Group recognized INR 14.33 crore of additional right-of-use assets, INR 14.33 crore of additional lease liabilities.

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted average rate applied is 10.5%.

Particulars	Amount in ₹ crore
Operating lease commitments as at 31 March 2019 as per Ind AS 17	17.82
Add: Commitments towards reagent equipment placement arrangements (to the extent of lease element)	3.25
Less: Recognition exemption for short-term leases	(0.64)
Less: Impact of discounting on date of initial application of Ind AS 116	(3.92)
Lease liabilities recognised in the balance sheet on transition to Ind AS 116 as at 1 April 2019 (before netting impact of sub-leases)	13.38

O. Recognition of rental income, dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to :

- the gross carrying amount of the financial asset; or

- the amortised cost of the financial liability.

P. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Q. Discontinued operations

A discontinued operation is a component of the Group's business, the operation and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business and is part of a single co-ordinated plant to dispose of a separate major line of business. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

R. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

S. Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing Indian Accounting Standards (Ind AS). There is no such notification which would have been applicable from 1 April 2020.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

4 Property, plant and equipment, capital work-in-progress and investment property

See accounting policies in Note 3(f)

	Gross block					Accumulated depreciation and impairment losses					Net block	
	Balance as at 1 April 2019 Balance as at 1 April 2018 (deemed cost)	Addition	Disposal	Reclassification to assets held for sale/ Reclassification to Right-of- use assets/ Other adjustments	Balance as at 31 March 2020 Balance as at 31 March 2019	Balance as at 1 April 2019 Balance as at 1 April 2018	Depreciation/ amortisation expense for the year	On disposals	Transfer on reclassification to assets held for sale*/right-of-use assets	Balance as at 31 March 2020 Balance as at 31 March 2019	Balance as at 31 March 2020 Balance as at 31 March 2019	Balance as at 31 March 2019 Balance as at 31 March 2018
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A Property, plant and equipment												
Leasehold Land	**19.35**	**-**	**-**	**(19.35)**	**-**	**0.97**	**-**	**-**	**(0.97)**	**-**	**-**	**18.38**
	23.79		-	(4.44)	19.35	0.82	0.33	-	(0.18)	0.97	18.38	22.97
Freehold Land	**16.62**	**-**	**-**	**-**	**16.62**	**-**	**-**	**-**	**-**	**-**	**16.62**	**16.62**
	16.62	-	-	-	16.62	-	-	-	-	-	16.62	16.62
Buildings/ Premises	**60.04**	**-**	**-**	**(11.70)**	**48.34**	**8.00**	**2.37**	**-**	**(1.99)**	**8.38**	**39.96**	**52.04**
	76.83	-	(0.32)	(16.47)	60.04	6.90	2.70	(0.04)	(1.56)	8.00	52.04	69.93
Plant and Equipment	**121.99**	**7.04**	**-**	**(0.09)**	**128.94**	**39.58**	**17.75**	**-**	**-**	**57.33**	**71.61**	**82.41**
	92.33	29.66	-	-	121.99	21.93	17.65	-	-	39.58	82.41	70.40
Furniture and Fixtures	**17.67**	**2.05**	**-**	**-**	**19.72**	**6.45**	**3.11**	**-**	**-**	**9.56**	**10.16**	**11.22**
	11.49	6.18	-	-	17.67	4.12	2.33	-	-	6.45	11.22	7.37
Vehicles	**0.68**	**0.07**	**(0.08)**	**-**	**0.67**	**0.23**	**0.14**	**(0.07)**	**-**	**0.30**	**0.37**	**0.45**
	0.66	0.19	(0.17)	-	0.68	0.20	0.20	(0.17)	-	0.23	0.45	0.46
Office equipment	**5.42**	**1.22**	**-**	**-**	**6.64**	**2.50**	**1.39**	**-**	**-**	**3.89**	**2.75**	**2.92**
	3.25	2.17	-	-	5.42	1.63	0.87	-	-	2.50	2.92	1.62
Computers printers and scanners	**4.03**	**1.07**	**-**	**-**	**5.10**	**2.29**	**1.32**	**-**	**-**	**3.61**	**1.49**	**1.74**
	1.77	2.26	-	-	4.03	0.96	1.33	-	-	2.29	1.74	0.81
Total	**245.80**	**11.45**	**(0.08)**	**(31.14)**	**226.03**	**60.02**	**26.08**	**(0.07)**	**(2.96)**	**83.07**	**142.96**	**185.78**
Total	226.74	40.46	(0.49)	(20.91)	245.80	36.56	25.41	(0.21)	(1.74)	60.02	185.78	190.18
B Capital work-in progress											**4.93**	**-**
											1.47	-
C Assets held for sale *												
Leasehold Land	**4.44**	**2.79**	**-**	**-**	**7.23**	**0.22**	**-**	**-**	**0.11**	**0.33**	**6.90**	**4.22**
	-	-	-	4.44	4.44	-	0.04	-	0.18	0.22	4.22	-
Buildings/ Premises	**16.47**	**11.70**	**-**	**-**	**28.17**	**1.93**	**-**	**-**	**1.99**	**3.92**	**24.25**	**14.54**
	-	-	-	16.47	16.47	-	0.37	-	1.56	1.93	14.54	-
Total assets held for sale	**20.91**	**14.49**	**-**	**-**	**35.40**	**2.15**	**-**	**-**	**2.10**	**4.25**	**31.14**	**18.76**
	-	-	-	20.91	20.91	-	0.41	-	1.74	2.15	18.76	-

Note

* Assets held for sale

During the year ended 31 March 2020, the Company has reclassifed certain building premises to assets held for sale. While the Company has already received advances towards sale consideration for building premises, due to enforcement of national lockdown due to COVID epidemic, the procedural formalities for effecting the transfer could not be completed before 31 March 2020.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

5 Other intangible assets and right-of-use lease assets

See accounting policy in Note 3(g)

A Intangible assets	Gross block					Accumulated depreciation and impairment losses					Net block	
	Balance as at 1 April 2019 Balance as at 1 April 2018 (deemed cost)	Addition	Disposal	Reclassification to assets held for sale	Balance as at 31 March 2020 Balance as at 31 March 2019	Balance as at 1 April 2019 Balance as at 1 April 2018	Depreciation/ amortisation expense for the year	On disposals	Transfer on reclassification to assets held for sale**	Balance as at 31 March 2020 Balance as at 31 March 2019	Balance as at 31 March 2020 Balance as at 31 March 2019	Balance as at 31 March 2019 Balance as at 31 March 2018
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Computer software	**1.28**	**-**	**-**	**-**	**1.28**	**0.78**	**0.35**	**-**	**-**	**1.13**	**0.15**	**0.50**
	0.98	0.30	-	-	1.28	0.58	0.20	-	-	0.78	0.50	0.40
Trademark	**1.46**	**-**	**-**	**-**	**1.46**	**0.30**	**0.15**	**-**	**-**	**0.45**	**1.01**	**1.16**
	1.46	**-**	**-**	**-**	**1.46**	**0.15**	**0.15**	**-**	**-**	**0.30**	**1.16**	**1.31**
Total intangible assets	**2.74**	**-**	**-**	**-**	**2.74**	**1.08**	**0.50**	**-**	**-**	**1.58**	**1.16**	**1.66**
	2.44	0.30	-	-	2.74	0.73	0.35	-	-	1.08	1.66	1.71

Figures in italic pertains to previous year.

B Right of use lease assets (net off investment in sub-leases)	Gross block					Accumulated depreciation and impairment losses					Net block
	Balance as at 1 April 2019	Recognised during the year	Derecognised during the year	Other adjustments	Balance as at 31 March 2020	Balance as at 1 April 2020	Depreciation/ amortisation expense for the year	On Derecognition	Impairment losses	Balance as at 31 March 2020	Balance as at 31 March 2020
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Leasehold Land	15.70	-	-	-	15.70	-	0.30	-	-	0.30	15.40
Buildings	10.12	0.95	-	-	11.07	-	3.18	-	-	3.18	7.89
Plant and machinery	3.26	-	-	-	3.26	-	1.86	-	-	1.86	1.40
	29.08	**0.95**	**-**	**-**	**30.03**	**-**	**5.34**	**-**	**-**	**5.34**	**24.69**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

6 Equity accounted investee

See accounting policy in Note 2(F)(v)

	31 March 2020	31 March 2019
Interest in associates		
Equity shares (unquoted) 429,185 (31 March 2019 : 429,185) equity shares of Equinox Laboratories Private Limited	21.17	20.66
Nil (31 March 2019 : 5,440) equity shares of USD 0.1 each of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share	-	1.61
Less : Provision for other than temporary diminution in the value of investments [see Note 39(e)]	-	(1.61)
	21.17	**20.66**

Associates

Equinox Laboratories Private Limited (Equinox)

The Group had acquired 30% stake in Equinox Laboratories Private Limited (Equinox) vide the terms of the Share Subscirption and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 3 January 2018 respectively, partially by subscribing to 214,592 equity shares of Equinox in cash and partially by subscribing to 214,593 equity shares of Equinox for consideration other than cash. Equinox is domiciled in India and engaged in the business of testing and analysis of food, water and air samples.

	31 March 2020	31 March 2019
Ownership interest	30%	30%
Carrying amount of assets and liabilities of the associate entity as per its standalone financial statements:		
Non-current assets	24.25	24.14
Current assets	5.93	6.86
Non-current liabilities	(2.88)	(6.01)
Current liabilities	(2.31)	(1.71)
Net assets (100%)	**24.99**	**23.28**
Group's share of net assets (based on carrying amount as per associate's financial statements)	**7.50**	**6.98**
Revenue	16.81	14.76
Profit	1.70	2.21
Other comprehensive income	-	-
Total comprehensive income	1.70	2.21
Group's share of Profit (30%)	0.51	0.66
Group's share of OCI (30%)	-	-
Group's share of total comprehensive income	**0.51**	**0.66**

Reconciliation of investments in associates	31 March 2020	31 March 2019
Opening balance	20.66	20.00
Share of (loss)/profit	0.51	0.66
Share of other comprehensive income	-	-
Closing balance	21.17	20.66

Thyrocare International Holding Company, an associate, incorporated in Republic of Mauritius, was in the process of liquidation and the process of liquidation has been completed during FY 2019-20.

During the year ended 31 March 2020 and 31 March 2019, the Group did not receive any dividend from its associates.

The associate does not have any contingent liabilities and capital commitments as at 31 March 2020 and 31 March 2019.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

7 Investments

	31 March 2020	31 March 2019
Current investments		
Investments in Mutual Funds (Quoted) measured at FVTPL	69.03	74.64
	69.03	**74.64**
Aggregate amount of quoted investments - At cost	65.02	72.29
Aggregate amount of quoted investments - At market value	69.03	74.64

8 Loans

(unsecured, considered good unless otherwise stated)

		31 March 2020	31 March 2019
A	**Non-current loans and advances**		
	Security deposits		
	To related parties	1.49	1.58
	To parties other than related parties	2.77	2.61
		4.26	**4.19**
B	**Current loans and advances**		
	Security deposits		
	To parties other than related parties	0.61	0.04
	Loans and advances to employees	0.05	0.03
		0.66	**0.07**

9 Other financial assets

	31 March 2020	31 March 2019
Bank balance in deposit accounts * (with maturity period exceeding 12 months from reporting date)	2.82	-
	2.82	**-**

* Bank Deposits are with the Banks against the Bank Guarantees issued to customers for execution of tenders.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

10 Recognised deferred tax assets and liabilities

A. Deferred tax assets and liabilities are attributable to the following :

	Deferred tax (assets)		Deferred tax (liabilities)		Net deferred tax assets/ (liabilities)	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Property, plant and equipment/ Intangible assets/ Investment property	-	-	(5.52)	(5.62)	(5.52)	(5.62)
Intangible assets	-	-	(0.14)	(0.14)	(0.14)	(0.14)
Investments at fair value through profit or loss	-	-	(0.53)	(1.17)	(0.53)	(1.17)
Provisions - employee benefits	1.15	3.03	-	-	1.15	3.03
Investment in subsidiary	-	-	-	-	-	3.03
Provisions - others	-	-	(0.00)	(0.02)	(0.00)	(0.02)
Other items	0.36	0.34	-	-	0.36	0.34
Tax losses carried forward	-	8.20	-	-	-	8.20
MAT entitlement carried forward	0.52	0.52	-	-	0.52	0.52
Net deferred tax (assets) liabilities	**2.03**	**12.09**	**(6.19)**	**(6.95)**	**(4.16)**	**5.14**

B. Movement in temporary differences

	Balance as at 1 April 2018	Recognised in profit or loss during 2018-2019	Recognised in OCI during 2018-2019	Balance as at 31 March 2019	Recognised in profit or loss during 2019-2020	Recognised in OCI during 2019-2020	Balance as at 31 March 2020
Property, plant and equipment/ Intangible assets/ Investment property	(4.66)	(0.96)	-	(5.62)	0.10	-	(5.52)
Intangible assets	(0.28)	0.14	-	(0.14)	-	-	(0.14)
Investments at fair value through profit or loss	(2.03)	0.86	-	(1.17)	0.64	-	(0.53)
Provisions - employee benefits	2.12	0.98	(0.07)	3.03	(1.84)	(0.04)	1.15
Provisions - others	0.01	(0.03)	-	(0.02)	0.02	-	(0.00)
Other items	(0.31)	0.65	-	0.34	0.02	-	0.36
Tax losses carried forward	9.86	(1.66)	-	8.20	(8.20)	-	-
MAT entitlement carried forward	0.52	-	-	0.52	-	-	0.52
	5.23	**(0.02)**	**(0.07)**	**5.14**	**(9.26)**	**(0.04)**	**(4.16)**

11 Non-current tax assets

	31 March 2020	31 March 2019
See accounting policy in Note 3(p)		
Advance income tax (net of provision for tax)	9.43	7.97
	9.43	**7.97**

12 Other non-current assets

	31 March 2020	31 March 2019
Capital advances	1.00	1.13
Prepaid expenses	0.27	0.24
Balance with government authorities	1.48	1.48
Advances for supply of goods	2.15	2.12
	4.90	**4.97**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

13 Inventories

	31 March 2020	31 March 2019
See accounting policy in Note 3(h)		
Reagents, diagnostic material and consumables	20.24	17.78
Stock-in-trade (acquired for trading) [includes in transit INR 0.17 crore (31 March 2019 : INR Nil)]	0.38	0.30
	20.62	**18.08**

14 Trade receivables

	31 March 2020	31 March 2019
Secured, considered good	2.90	2.74
Unsecured, considered good	13.66	9.42
Credit impaired	2.56	0.77
	19.12	**12.93**
Less : Provision for bad and doubtful debts	(2.56)	(0.77)
	16.56	**12.16**
Trade receivables from related parties excluding provision for doubtful debts (refer Note 38)	**4.54**	**3.18**

15 Cash and bank balances

	31 March 2020	31 March 2019
Cash and cash equivalents		
Cash on hand	0.07	0.08
Balances with banks		
in current accounts	8.63	4.83
	8.71	**4.91**
Other bank balances		
in deposit accounts * (with original maturity period exceeding 3 months but maturing within 12 months from reporting date)	2.36	4.69
	11.07	**9.60**

* Bank Deposits are with the Banks against the Bank Guarantees issued to customers for execution of tenders.

16 Other financial assets - current

	31 March 2020	31 March 2019
Other receivables	0.02	0.02
Interest accrued on deposits	0.02	0.21
	0.04	**0.23**

17 Other current assets

	31 March 2020	31 March 2019
Advances for supply of goods and services	2.16	1.59
Prepaid expenses	0.97	0.89
	3.13	**2.48**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

18 Share capital

		31 March 2020		31 March 2019	
		Number of shares (in '000)	Amount	Number of shares (in '000)	Amount
(a)	Authorised				
	Equity shares of ₹ 10 each with equal voting rights	100,000	100.00	100,000	100.00
(b)	Issued, subscribed and paid-up				
	Equity shares of ₹ 10 each with equal voting rights	52,833	52.84	52,796	52.79
	Total	**52,833**	**52.84**	**52,796**	**52.79**

All issued shares are fully paid-up

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	31 March 2020		31 March 2019	
	Number of shares (in '000)	Amount	Number of shares (in '000)	Amount
Equity shares				
At the commencement of the year	52,799	52.80	53,724	53.72
Shares issued on exercise of employee stock options	38	0.04	34	0.04
Shares bought back	-	-	(959)	(0.96)
Issued and subscribed share capital	**52,836**	**52.84**	**52,799**	**52.80**
Less: Equity shares held by Trust	(3)	(0.00)*	(3)	(0.01)
At the end of the year	**52,833**	**52.84**	**52,796**	**52.79**

* amount less than ₹ 1 Lakh

The Group has also issued share options plan for its employees. (see Note 35)

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Employee stock option plan

Terms attached to stock options granted to employees are described in Note 35 regarding share-based payments.

Equity shares bought back

During the previous year ended 31 March 2019, the Company bought back 958,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

Particulars of shareholders holding more than 5% shares of a class of shares

	31 March 2020		31 March 2019	
	Number of shares (in 'thousands)	% of total shares held	Number of shares (in 'thousands)	% of total shares held
Equity shares of INR 10 each fully paid-up held by -				
Dr A Velumani	14,809	28.05%	14,809	28.05%
Thyrocare Publications LLP (formerly known as "Thyrocare Publications Private Limited")	6,535	12.38%	6,535	12.38%
Thyrocare Properties & Infrastructure Private Limited	5,218	9.88%	5,218	9.88%
Nalanda India Equity Fund Limited	3,366	6.76%		

Shares reserved for issue under options

		31 March 2020		31 March 2019	
		Number of shares	Amount	Number of shares	Amount
a.	Under Employees Stock Option Scheme, 2018 - at an exercise price of INR 10 per share (see Note 35)	37,189	0.04	-	-
b.	Under Employees Stock Option Scheme, 2018 - at an exercise price of INR 10 per share (see Note 35)	34,270	0.03	40,452	0.04
c.	Under Employees Stock Option Scheme, 2017 - at an exercise price of INR 10 per share (see Note 35)	39,880	0.04	47,610	0.05
d.	Under Employees Stock Option Scheme, 2016 - at an exercise price of INR 10 per share (see Note 35)	-	-	42,100	0.04

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

a. Below is a summary of the equity shares alloted by the Company pursuant to various ESOP plans for consideration other than cash (except for the face value of shares that has been recovered in case:

	31 March 2020	31 March 2019
Number of shares alloted pursuant to ESOP schemes	37,759	33,973

b. During the year ended 31 March 2015, the Company allotted 37,383,507 equity shares of INR 10/- each fully paid up on 24 September 2014, as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premium account of INR 37.08 crore and capital redemption reserve of INR 0.30 crore.

c. During the years 31 March 2016 and 31 March 2015, the Company allotted 3,187,562 and 691,295 equity shares of INR 10 each fully paid up respectively, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 and 1,000,000 equity shares of NHL respectively at a premium of INR 295.95 per share.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

19 Other equity

		31 March 2020	31 March 2019
(a)	**Capital reserve**		
	At the commencement and end of the year	**31.71**	**31.71**
(b)	**Securities premium**		
	At the commencement of the year	65.08	127.22
	Transfer on exercise of stock option	2.16	0.86
	Shares bought back	-	(63.00)
	At the end of the year	**67.24**	**65.08**
(c)	**Share options outstanding**		
	At the commencement of the year	3.89	2.82
	Employee compensation expense for the year	2.00	1.93
	Transfer on exercise of stock option	(2.16)	(0.86)
	At the end of the year	**3.73**	**3.89**
(d)	**General reserve**		
	At the commencement of the year	**9.17**	**9.17**
(e)	**Capital redemption reserve**		
	At the commencement of the year	0.96	-
	Equity shares bought back	-	0.96
	At the end of the year	**0.96**	**0.96**
(f)	**Retained earnings**		
	At the commencement of the year	271.52	218.65
	Profit for the year including other comprehensive income	88.53	85.25
	Appropriation		
	Final/ Interim dividend on equity shares	(132.00)	(26.86)
	Dividend distribution tax	(27.04)	(5.52)
	At the end of the year	201.01	271.52
		313.82	**382.33**

Capital reserve

Capital reserve represent the premium received in business combinations and to record the shareholder's contribution for consideration other than cash.

Securities premium

Securities premium represent the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The group has established various equity-settled share-based payment plans for certain categories of employees of the Group. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised. (See Note 35 for further details on these plans).

General reserve

General reserve is used to record the transfer from retained earnings of the Company. It is utilized in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve

The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018 and as per the provisions of the Companies Act, 2013, the Capital redemption reserve is used to record the reduction of the share capital of the Company on account of equity shares bought back out of the accumulated profits. It is created in accordance with the provisions of the Companies Act, 2013.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

Dividends

The following dividends were declared and paid by the Company during the year :

	31 March 2020	31 March 2019
Interim dividend INR 5/- per equity share (31 March 2019 : INR Nil per equity share)	26.40	-
Final dividend of previous financial year 31 March 2019 : INR 20/- per equity share (31 March 2018 : INR 5/- per equity share)	105.60	26.87
Dividend distribution tax on dividend to equity shareholders	27.04	5.53

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities in the respective years. Dividends would attract dividend distribution tax when declared or paid.

	31 March 2020	31 March 2019
INR Nil per equity share (31 March 2019 : INR 20 per equity share)	-	105.60

20 Borrowings

	31 March 2020	31 March 2019
Unsecured loan from related party (refer note 38)	2.50	2.50
	2.50	**2.50**

Note:

The loan from related party is unsecured and carries an interest rate of 9% p.a. The loan is repayable at the end of 5 years.

21A Lease liabilities

	31 March 2020	31 March 2019
Non-current lease liabilities	5.69	-
Current lease liabilities	4.25	-
	9.94	**-**

21B Other financial liabilities

		31 March 2020	31 March 2019
A	**Non-current**		
	Security deposits taken		
	from parties other than related parties	-	9.79
		-	**9.79**
B	**Current**		
	Security deposits received		
	from parties other than related parties	10.65	0.27
	Employees dues	5.41	4.29
	Creditors for capital goods	6.04	1.26
	Unclaimed dividend	0.08	0.03
		22.18	**5.85**

Investor Education and Protection Fund ('IEPF') - As at 31 March 2020 (31 March 2019 : INR Nil) there is no amount due and outstanding to be transferred to the IEPF by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

22 Provisions

See accounting policy in Note 3(k) and 3(l)

		31 March 2020	31 March 2019
A	**Non-current provisions**		
	Provision for employee benefits:		
	Provision for compensated absences	6.22	5.13
	Provision for gratuity (refer note 34)	1.94	1.59
		8.16	**6.72**
B	**Current provisions**		
	Provision for employee benefits:		
	Provision for compensated absences	0.98	0.64
	Provision for gratuity (refer note 34)	0.03	0.02
		1.01	**0.66**

23 Trade payables

	31 March 2020	31 March 2019
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises (See Note 39 (a))	0.70	0.07
- total outstanding dues of creditors other than micro enterprises and small enterprises	21.16	7.44
	21.86	**7.51**

24 Current tax liabilities (net)

See accounting policy in Note 3(p)

	31 March 2020	31 March 2019
Provision for current tax (net of advance tax and tax deducted at source)	0.75	1.01
	0.75	**1.01**

25 Other current liabilities

	31 March 2020	31 March 2019
Contract liabilities	4.73	4.56
Advance received towards consideration for sale of capital assets held for sale	25.94	-
Statutory dues *	0.97	1.00
	31.64	**5.56**

* Statutory dues include goods and services tax, tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

26 Revenue from operations

	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products (See Note (i) below)	5.54	4.48
Sale of services (See Note (ii) below)	421.87	394.90
	427.41	**399.38**
Other operating revenue	5.79	3.53
Total	**433.20**	**402.91**
Note:		
(i) Sale of products comprises :		
Manufactured goods		
Radioactive pharmaceutical (FDG)	2.60	2.16
Traded goods		
Glucose strips/ Gluco meter	2.94	2.32
Total	**5.54**	**4.48**
The Goods and Services Tax (GST) has replaced the excise duty, sales tax/ VAT, etc. w.e.f. 1 July 2017. The revenue from sale of traded goods are excluding GST.		
(ii) Sale of services comprises :		
Diagnostic Services	379.73	354.44
Sale of consumables for providing diagnostic services	31.11	10.81
Imaging Services	11.03	29.65
Total	**421.87**	**394.90**

27 Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income (See Note (i) below)	0.70	0.66
Net gain on investments	4.78	4.15
Technical assistance/ trade mark assignment fees	1.06	1.02
Others (See Note (ii) below)	1.19	4.12
	7.73	**9.95**
Note:		
(i) Interest income comprises:		
Interest from banks on deposits	0.37	0.20
Interest on income tax refund	-	0.10
Interest on deposit for electricity	0.04	0.06
Others	0.29	0.30
Total - Interest income	**0.70**	**0.66**
(ii) Others comprises:		
Net gain on sale of property, plant and equipment	0.01	1.04
Net gain on liquidation of non current investments	0.03	-
Miscellaneous income	1.15	3.08
Total - Others	**1.19**	**4.12**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

28 a. Cost of materials consumed

	Year ended 31 March 2020	Year ended 31 March 2019
Opening stock	17.78	17.01
Add: Purchases	117.38	109.23
	135.16	**126.24**
Less: Closing stock	20.24	17.78
Cost of material consumed	**114.92**	**108.46**
Material consumed comprises:		
Reagents/ Diagnostics material	100.26	94.71
Radiopharmaceuticals	1.39	1.46
Consumables - laboratory	8.61	7.01
Consumables - processing	4.66	5.28
	114.92	**108.46**
b. Purchases of stock-in-trade		
Glucose strips/ Gluco meter	2.25	2.33
	2.25	**2.33**
c. Changes in inventories of stock-in-trade		
Inventories at the end of the year:		
Glucose strips/ Gluco meter	0.38	0.30
	0.38	**0.30**
Inventories at the beginning of the year:		
Glucose strips/ Gluco meter	0.30	0.04
	0.30	**0.04**
Net change	**(0.08)**	**(0.26)**

29 Employee benefits expense

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	38.57	34.28
Contributions to provident and other funds	3.51	3.45
Employees stock compensation expense	2.00	1.93
Gratuity	0.55	0.45
Compensated absences	2.31	1.67
Staff welfare expenses	1.98	1.57
	48.92	**43.35**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

30 Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Outlab processing	1.47	1.70
Power and fuel and water	8.69	7.77
Rent	1.19	13.05
Repairs and maintenance - Buildings	1.62	2.32
Repairs and maintenance - Machinery	6.81	3.98
Repairs and maintenance - Others	0.01	0.29
Insurance	0.06	0.07
Rates and taxes	1.00	2.36
Communication	0.95	1.15
Service charges	22.57	15.06
Postage and courier	2.93	4.16
Printing and stationery	2.95	3.20
Sales incentive	17.76	12.61
Advertisement expenses	0.72	5.66
Business promotion	5.03	5.71
Legal and professional fees	11.41	11.30
Loss on foreign exchange fluctuation (net)	-	0.03
Provision for doubtful debts	1.89	0.47
Corporate social responsibility (See Note (i) below)	4.09	1.00
Buyback of share expenses	-	0.78
Miscellaneous expenses	3.52	2.13
	94.67	**94.80**
Notes:		
(i) Details of corporate social responsibility expenditure		
(a) Amount required to be spent by the Company during the yea	2.70	2.32
(b) Amount spent during the year (in cash)		
- construction / acquisition of any asset	-	-
- on purpose other than above	4.09	1.00
	4.09	**1.00**

31 Income tax

See accounting policy in Note 3(p)

	Year ended 31 March 2020	Year ended 31 March 2019
A. Amount recognised in profit or loss		
Current tax		
Current period (a)	43.00	52.90
Changes in estimates related to prior years (b)	(0.25)	-
Deferred tax (c)		
Attirbutable to -		
Origination and reversal of temporary differences	9.26	0.02
Tax expense (a)+(b)+(c)	**52.01**	**52.92**
B. Amount recognised in other comprehensive income		
Re-measurement gains/ (losses) on defined benefit plans	0.04	0.07
Tax expense in other comprehensive income	**0.04**	**0.07**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

C. Reconciliation of effective tax rate

	Year ended 31 March 2020		Year ended 31 March 2019	
Profit before exceptional items, share of profit of associate and tax	146.49		137.40	
Tax using the Group's domestic tax rate	36.87	25.17%	48.01	34.94%
Effect of :				
Non-deductible expenses (net)	3.68	2.5%	7.17	5.2%
Tax exempt income	(0.08)	-0.1%	(0.50)	-0.4%
Derecognition of deferred tax assets in respect of unabsorbed depreciation and carried forward tax losses	8.20	5.6%	-	-
Others	3.34	2.3%	(1.77)	-1.3%
Effective tax rate	**52.01**	**35.5%**	**52.92**	**38.5%**

32 Earnings per share

		Year ended 31 March 2020	Year ended 31 March 2019
(i)	**Basic**		
	Net profit for the year attributable to equity shareholders	88.41	85.14
	Weighted average number of equity shares outstanding during the year	52,810,058	53,387,162
	Face value per share ₹	10	10
	Earnings per share - Basic (₹)	16.74	15.95
(ii)	**Diluted**		
	Net profit for the year attributable to equity shareholders	88.41	85.14
	Weighted average number of equity shares for Basic EPS	52,810,058	53,387,162
	Add: Equity shares reserved for issuance on ESOP	109,147	118,224
	Weighted average number of equity shares - for diluted EPS	52,919,205	53,505,386
	Face value per share ₹	10	10
	Earnings per share - Diluted (₹)	16.71	15.91

33 Operating segments

A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segments and assess their performance. The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's CEO reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments :

Reportable segments	Operations
Diagnostic Testing Services	Diagnostic and testing services, selling of consumables used for collection and promotion of pathology segment
Imaging Services	Diagnostic and imaging services, selling of radio-pharmaceutical, selling of consumables for reporting
Others: Sale of testing equipment and consumables	Selling of glucometer and glucostrips under the brand name Sugarscan

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The Group operates from its centralised laboratory, regional processing laboratories, medical cyclotron facility, PET-CT centres and corporate office in India and therefore does not have much of its operations in economic environments with different risks and returns, hence considering its operation from single geographical segment, the Company has not recognised geographical segment as its secondary segment for reporting.

	Reportable segments			Total
	Diagnostic Testing Services	Imaging Services	Others	
Segment revenue	**397.05**	**34.09**	**2.94**	**434.08**
	368.11	32.64	2.16	402.91
Less : Intersegment Revenue	**(0.88)**	**-**	**-**	**(0.88)**
	-	-	-	-
Total segment revenue	**396.17**	**34.09**	**2.94**	**433.20**
	368.11	32.64	2.16	402.91
Segment profit (loss) before income tax	**144.41**	**(6.51)**	**0.77**	**138.67**
	135.59	(5.86)	0.08	129.81
Unallocable income net off other unallocable expenditure				**7.82**
				7.59
Profit before exceptional items and income tax				**146.49**
				137.40
Exceptional items				**(6.58)**
				(0.00)
Segment assets	**160.25**	**103.16**	**0.29**	**263.70**
	149.91	108.65	0.65	259.21
Unallocable assets				**205.63**
				215.51
Total assets				**469.33**
				474.72
Segment liabilities	**61.56**	**35.54**	**0.17**	**97.27**
	29.86	6.17	0.02	36.05
Unallocable liabilities				**5.40**
				3.55
Total liabilities				**102.67**
				39.60
Other information				
Capital expenditure (allocable)	**13.59**	**1.12**	**-**	**14.71**
	20.36	19.85	-	40.21

Note : Figures in italic relates to the previous year 31 March 2019

The testing and imaging services to patients and sale of pharmaceuticals to customers are primarily in India and hence information about geographical areas of the operations was not disclosed seperately by the Group.

Notes to the Consolidated Financial Statements

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Currency: In crore of INR

34 Employee benefits

A. Defined contribution plans

The Group makes Provident Fund, ESIC and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised INR 2.80 crore (31 March 2019 : INR 2.55 crore) for Provident Fund contributions, INR 0.70 crore (31 March 2019 : INR 0.88 crore) for ESIC contributions and INR 0.01 crore for Maharashtra Labour Welfare Fund (31 March 2019 : INR 0.02 crore) in the Statement of Profit and Loss during the year (See note 29). The contributions payable to these plans by the Group are at rates specified in the rules of the schemes. The Group does not expect any further liability other than the specified contributions.

B. Defined benefit plans

The Group offers the following employee benefit schemes to its employees :

- Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

		31 March 2020	31 March 2019
a.	**Components of defined benefit plan expense**		
i.	**Expenses recognised in profit or loss**		
	Current service cost	0.43	0.35
	Interest cost	0.12	0.10
	Total expense recognised in the Statement of Profit and Loss	**0.55**	**0.45**
ii.	**Expenses recognised in other comprehensive income**		
	Actuarial (gain) loss on defined benefit obligations	(0.16)	(0.18)
	Total expense recognised in other comprehensive income	**(0.16)**	**(0.18)**
b.	**Net asset / (liability) recognised in the Balance Sheet**		
	Present value of unfunded obligation	(1.97)	(1.61)
	Net asset / (liability) recognised in the Balance Sheet	(1.97)	(1.61)
	Net asset/ (liability) is bifurcated as follows :		
	Current	(0.03)	(0.02)
	Non Current	(1.94)	(1.59)
	Net asset / (liability) recognised in the Balance Sheet	**(1.97)**	**(1.61)**
c.	**Change in defined benefit obligations (DBO) during the year**		
	Present value of DBO at beginning of the period	1.61	1.36
	Current service cost	0.42	0.36
	Interest cost	0.13	0.10
	Actuarial (gains) / losses	(0.16)	(0.18)
	Benefits paid	(0.03)	(0.03)
	Present value of DBO at the end of the year	**1.97**	**1.61**

Notes to the Consolidated Financial Statements

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		31 March 2020	31 March 2019
d.	**Actuarial assumptions**		
	Discount rate	6.82%	
	Salary escalation	2% p.a. for the next 1 year, 4% p.a. for the next 1 year, starting from the 2nd year 9% p.a. for the next 1 year, starting from the 3rd year 10% p.a. thereafter, starting from the 4th year	10%
	Rate of employee turnover	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.
	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
e.	**Maturity analysis of the benefit payments from the employer**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	0.03	0.02
	2nd following year	0.06	0.03
	3rd following year	0.03	0.04
	4th following year	0.06	0.03
	5th following year	0.04	0.06
	Sum of years 6 to 10	0.50	0.38
	Sum of years 11 and above	7.08	7.77
f.	**Sensitivity analysis**		
	Projected benefits obligation on current assumptions		
	Delta effect of +1% change in rate of discounting	(0.30)	(0.21)
	Delta effect of -1% change in rate of discounting	0.37	0.27
	Delta effect of +1% change in rate of salary increase	0.30	0.24
	Delta effect of -1% change in rate of salary increase	(0.25)	(0.19)
	Delta effect of +1% change in rate of employee turnover	(0.07)	(0.05)
	Delta effect of -1% change in rate of employee turnover	0.09	0.06

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant.\

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was not change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

35 Share-based payments

See accounting policy in Note 3(i)

A. Description of share-based payment arrangements

During the year ended 31 March 2020, the Company has offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2019” (ESOS2019) vide authorisation of shareholders in the annual general meeting held on 24 August 2019. The options may be exercised either fully or partially in four equal instalments.

The employees were identified as those who had completed two years of service as on the date of sanction of the scheme, subject to their continuous service till the vesting period.

During the earlier years, the Company had offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2018” (ESOS2018), “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017” (ESOS2017), “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016” (ESOS2016) and “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015” (ESOS2015) vide authorisation of shareholders in their meetings held on 1 September 2018, 12 August 2017, 12 September 2016 and 26 September 2015 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, the Company formed a trust, ‘Thyrocare Employee Stock Option Trust’ wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options granted	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2019	24-Aug-19	40,423	3 years	One year from vesting date	10	10
ESOS2018	11-Aug-18	40,452	3 years	One year from vesting date	10	10
ESOS2017	12-Aug-17	50,516	3 years	One year from vesting date	10	10
ESOS2016	12-Sep-16	50,537	3 years	One year from vesting date	10	10
ESOS2015	26-Sep-15	40,434	3 years	One year from vesting date	10	10

Notes to the Consolidated Financial Statements

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Currency: In crore of INR

B. Employee stock option activity under the respective schemes is as follows:

Scheme	31 March 2020 No of Options	31 March 2019 No of Options
ESOS2019		
Outstanding at 1 April	-	-
Granted during the year	40,429	-
Forfeited during the year	3,240	-
Outstanding at 31 March	**37,189**	**-**
ESOS2018		
Outstanding at 1 April	37,654	-
Granted during the year	-	40,452
Forfeited during the year	3,384	2,798
Outstanding at 31 March	**34,270**	**37,654**
ESOS2017		
Outstanding at 1 April	43,320	47,610
Forfeited during the year	3,440	4,290
Outstanding at 31 March	**39,880**	**43,320**
ESOS2016		
Outstanding at 1 April	39,526	42,100
Forfeited during the year	1,767	2,574
Exercised during the year	37,759	-
Outstanding at 31 March	**-**	**39,526**
ESOS2015		
Outstanding at 1 April	-	34,714
Forfeited during the year	-	741
Exercised during the year	-	33,973
Outstanding at 31 March	**-**	**-**

C. The key assumptions used to estimate the fair value of options are:

	31 March 2020*	31 March 2019*
Volatility	21.65%	21.65%
Expected life	3.50 years	3.50 years
Dividend Yield	1.5%	1.5%
Risk-free interest rate (based on government bonds)	6.30%	7.85%
Model Used	Black & Scholes	Black & Scholes

* Key assumptions used to estimate the fair value of options granted under ESOS2019 (ESOS 2018).

The expense arising from equity settled share based payment transaction amounting to INR 2.00 crore and INR 1.93 crore for the year ended 31 March 2020 and 31 March 2019 respectively have been recognised in the Statement of profit and loss.

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for the year ended 31 March 2020

Currency: In crore of INR

36 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

31 March 2020 31 March 2019	**Note**	**Carrying amount**			**Total carrying amount**
		FVTPL	**FVOCI**	**Amortised cost**	
Financial assets					
Investments	**7**	**69.03**	**-**	**-**	**69.03**
		74.64	*-*	*-*	*74.64*
Loans	**8**	**-**	**-**	**4.91**	**4.91**
		-	*-*	*4.26*	*4.26*
Trade receivables	**14**	**-**	**-**	**16.56**	**16.56**
		-	*-*	*12.16*	*12.16*
Cash and cash equivalents	**15**	**-**	**-**	**8.71**	**8.71**
		-	*-*	*4.91*	*4.91*
Other bank balances	**15**	**-**	**-**	**2.36**	**2.36**
		-	*-*	*4.69*	*4.69*
Others	**9,16**	**-**	**-**	**2.86**	**2.86**
		-	*-*	*0.23*	*0.23*
		69.03	**-**	**35.40**	**104.43**
		74.64	*-*	*26.25*	*100.89*
Financial liabilities					
Borrowings	**20**	**-**	**-**	**2.50**	**2.50**
		-	*-*	*2.50*	*2.50*
Other financial liabilities	**21B**	**-**	**-**	**22.18**	**22.18**
		-	*-*	*15.64*	*15.64*
Trade payables	**23**	**-**	**-**	**21.86**	**21.86**
		-	*-*	*7.51*	*7.51*
		-	**-**	**46.53**	**46.53**
		-	*-*	*25.65*	*25.65*

Figures in italics pertains to previous year.

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, borrowings, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

The fair value of investment in mutual funds is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted investments/units of mutual fund scheme are based on net asset value at the reporting date as published by the mutual fund.

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The following table provides the fair value measurement hierarchy of the Company's financial instruments which are measured at fair value:\

	31 March 2020		31 March 2019	
	Total	Quoted prices in active markets (Level 1)	Total	Quoted prices in active markets (Level 1)
FVTPL financial assets				
Investment in Mutual funds (Refer Note 7)	69.03	69.03	74.64	74.64

C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (C) (i));
- liquidity risk (see (C) (ii));
- market risk (see (C) (iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans.

The Group has no significant concentration of credit risk with any counterparty.

Trade receivables and loans

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the management.

The Group limits its exposure to credit risk from trade receivables by establishing a credit limit that is linked to either category of the customer or the security deposits paid by the customer to avail the services.

In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether they are individuals or legal entities, their geographic locations, industry, trading history with the Group and existence of previous financial difficulties, if any.

The Group's exposure to credit risk for trade receivables by geographic region was as follows -

	Carrying amount	
	31 March 2020	31 March 2019
Trade receivables (net of provision for doubtful debts)		
India	13.24	8.98
Other regions	3.32	3.18
	16.56	**12.16**

Expected credit loss (ECL) assessment for individual customers as at 31 March 2020 and 31 March 2019

As per simplified approach the Group makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date.

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At March 31, 2020, the ageing of trade receivables that were not impaired was as follows.

In crore of INR	Total		Related parties		Others	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
1-30 days past due	5.04	6.04	0.50	0.32	4.54	5.72
31-60 days past due	3.82	1.72	1.01	0.54	2.81	1.18
61-90 days past due	2.61	1.20	0.85	0.37	1.76	0.83
91-180 days past due	3.56	2.98	1.41	1.95	2.15	1.03
More than 180 days past due	1.53	0.22	0.77	-	0.76	0.22
	16.56	**12.16**	**4.54**	**3.18**	**12.02**	**8.98**

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

	Carrying amount as on 31 March 2020 31 March 2019	Total	upto 1 year	more than 1 year
Non-derivative financial liabilities				
Borrowings	**2.50**	**2.50**	**-**	**2.50**
	2.50	2.50	-	2.50
Trade payables	**21.86**	**21.86**	**21.86**	**-**
	7.51	7.51	7.51	-
Lease Liabilities	**9.94**	**11.82**	**5.11**	**6.71**
	-	-	-	-
Other financial liabilities	**22.18**	**22.18**	**22.18**	**-**
	15.64	15.64	15.64	-

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Group. The functional currency for large number of transactions of the Group is INR and majority of the customers the Group dealt with operate from India only. The Group receives more than 98% of its revenue from the domestic operations only.

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Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management is as follows.

	INR	USD
Trade receivables	**5.79**	**0.08**
	3.79	0.05
Trade payables	**0.93**	**0.01**
	0.37	0.01
Net exposure in respect of recognized assets and liabilities	**4.87**	**0.07**
	3.41	0.05

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR or US dollar at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in crore of INR	**Profit or loss**	
	Strengthening	**Weakening**
31 March 2020		
INR (10% movement)	0.49	-0.49
31 March 2019		
INR (10% movement)	0.34	-0.34

37 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2020	**31 March 2019**
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a. Property tax demand	3.83	3.09
b. Income tax demands - TDS matter	49.22	36.85
c. Other income tax matters	0.76	0.34
d. Employees provident fund matter	0.52	0.52

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

	31 March 2020	**31 March 2019**
Commitments		
a Commitments relating to long term arrangement with vendors (see note (i))	180.54	279.21

i. The Group has entered into Reagent Rental Arrangements for periods ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are ₹ 180.54 crore (31 March 2019 : ₹ 279.21 crore) of which annual commitment for next year is ₹ 101.57 crore (31 March 2019 : ₹ 98.93 crore) as per the terms of these arrangements.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

38 Related parties

A. Details of related parties:

Description of relationship	Names of related parties
Associates	Equinox Labs Private Limited (From 28 March 2018)
	Thyrocare International Holding Company Limited, Mauritius (liquidated during the year ended 31 March 2020)
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	Thyrocare Gulf Laboratories WLL Sumathi Healthcare Private Limited (Previously known as Sumathi Construction Private Limited) Pavilion Commercial Private Limited
	Sumathi Infra Project LLP
	Mahima Advertising LLP
	Thyrocare Publications LLP
	Thyrocare Properties & Infrastructure Private Limited
	Sumathi Memorial Trust
Key Management Personnel (KMP)	Dr A Velumani, Managing Director
	A Sundararaju, Director
	Anand Velumani, Director
	Amruta Velumani, Director
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
	A Sundararaju HUF (HUF in which A Sundararaju is Karta)
	S Susila (sister of Dr A Velumani)

B. Transactions with key management personnel

i. Key management personnel compensation

	Year ended 31 March 2020	Year ended 31 March 2019	Balance outstanding 31 March 2020	Balance outstanding 31 March 2019
Dr A Velumani	(0.00)*	(0.00)*	0.00	0.00
A Sundararaju	0.55	0.60	-	0.04
	0.55	**0.60**	**0.00**	**0.04**

* Amount less than ₹ 1 lakh

As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial personnel are not included.

ii. Transactions with key management personnel including directors

	Transaction value		Balance outstanding	
	Year ended 31 March 2020	Year ended 31 March 2019	31 March 2020	31 March 2019
Dividend paid				
Dr A Velumani	37.02	7.40	-	-
A Sundararaju	0.62	0.12	-	-
Amruta Velumani	1.88	0.38	-	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

C. Related party transaction other than those with key management personnel

	Transaction value		Balance outstanding	
	Year ended 31 March 2020	Year ended 31 March 2019	31 March 2020	31 March 2019
Rent Paid / payable				
Sumathi Healthcare Private Limited	-	1.40	-	-
Outlab processing charges paid / payable				
Equinox Labs Private Limited	0.02	0.07	0.03	0.03
Payment of lease liabilities				
Sumathi Healthcare Private Limited	1.27	1.40	0.70	-
Loan taken from				
Pavilion Commercial Private Limited	-	2.50	2.50	2.50
Interest paid				
Pavilion Commercial Private Limited	0.23	0.01	-	-
Revenue from operations				
Thyrocare Gulf Laboratories WLL	3.96	3.85	2.53	1.80
Sumathi Memorial Trust (refer note)	3.80	0.19	1.19	0.01
Receipt on liquidation of investment				
Thyrocare International Holding Company Ltd, Mauritius	0.03	-	-	-
Loss on liquidation of investment (for which provision made in earlier years)				
Thyrocare International Holding Company Ltd, Mauritius	1.59	-	-	-
Provision for doubtful trade receivables				
Thyrocare Gulf Laboratories WLL	1.62	-	2.27	0.65
Reimbursement of expenses paid				
Thyrocare Gulf Laboratories WLL	0.36	0.12	-	-
Sumathi Healthcare Private Limited	0.86	0.44	-	-
Reimbursement of expenses received				
Sumathi Healthcare Private Limited	0.99	0.16	-	-
Technical assistance fees income				
Thyrocare Gulf Laboratories WLL	1.06	0.98	3.09	2.03
Dividend paid				
Anand Velumani	1.58	0.32	-	-
Dr A Velumani HUF	3.55	0.46	-	-
A Sundararaju HUF	6.04	1.21	-	-
Sumathi Infra Project LLP	3.94	0.79	-	-
Mahima Advertising LLP	3.15	0.63	-	-
Thyrocare Properties & Infrastructure Private Limited	13.04	2.61	-	-
Thyrocare Publications LLP	16.34	3.27	-	-
Pavilion Commercial Private Limited	0.03	-	-	
Advances received towards sale of property				
Sumathi Healthcare Private Limited	25.00	-	25.00	-
Investment in equity instruments (At historical cost)				
Equinox Labs Private Limited	-	-	20.00	20.66
Security deposits given/ (repaid)				
Sumathi Healthcare Private Limited	-	-	1.54	1.54

Notes :

i. The key management personnel, or their related parties, hold position in other entities that result in them having control or significant influence over these entities. These entities transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were at arm's length and in the normal course of the business.

ii. Sumathi Memorial Trust, a charitable trust managed by the promoters of the Company as trustees, in tie up with other NGO subsidised the cost of PETCT scans for the cancer patients who can not afford the cost of the PETCT scan, by direct payment to the Company towards PETCT scans of such cancer patients.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

39 Additional information to the financial statements

a. Due to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the information and records available with the Management, the outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure. This has been relied upon by the auditors.

		31 March 2020	31 March 2019
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.70	0.07
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

b. The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10 each at a price of ₹ 446 by the Selling shareholders, during the Financial Year 2016-2017.

The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

c. The Group's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2019. Management believes that the Group's international transactions and domestic transactions with related parties post 31 March 2019 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

d. The Group bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

e. Disclosure as per the Advisory issued by the Securities and Exchange Board of India of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'LODR Regulations'/ 'LODR')

The novel coronavirus [COVID-19] pandemic is spreading around the globe rapidly. The virus has taken its toll on not just human life, but business and financial markets too, the extent of which is currently indeterminate.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

Impact on business

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations of the Group's (collection centers, imaging centers, centralized processing laboratory, regional processing laboratories and offices, etc.) are scaled down or shut down from second half of March 2020. Although some of the states have initiated measures to lift the lockdown either partially or fully, the duration of this lockdown is uncertain at this point in time in other states. Though the Company/ Group is engaged in providing essential medical services, in view of the fact that containment of COVID-19 is a priority of the State Governments and Central Government, resumption of full-fledged operations for other than COVID-19 tests will depend upon directives issued by the Government authorities.

While this has adversely impacted the performance of the Group, the Group is also authorized by ICMR, to perform COVID-19 tests using RT-PCR technology, the Group has accordingly initiated the process and currently processed more than 30,000 COVID-19 tests using RT-PCR technology.

With the outbreak of COVID-19 pandemic, the business of Nueclear Healthcare Limited, a subsidiary company was adversely impacted. The last few weeks of the financial year witnessed a sharp drop in scheduled scans of the cancer patients across all locations, mainly on account of directives issued by the Government, lack of transportation to commute at the centers and other such reasons.

This necessitated the subsidiary to take certain measures to mitigate the losses.

Estimation uncertainty arising from COVID

The Group continue to closely monitor the situation and take appropriate action, as necessary to scale up operations, in due compliance with the applicable regulations. As per our current assessment other than disclosed in Note 3(e), no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.

Schedule for restarting operations

The operations of the Group were continued during the period of lockdown though not on full-fledged basis and the operations for those locations completely shut down will be resumed after assessment of the conditions and in compliance with Government directives in April 2020.

Steps taken for smooth functioning of operations

The business of the Group largely depends on the test requisitioned by the medical practitioners, hospitals, clinics and dispensaries. The tests requisitioned are processed at the centralised processing laboratory or at regional processing laboratory. The Group has adequate resources to ensure that the samples are routed to the centralised processing laboratory or at regional processing laboratory, once the medical practitioners resume their practice after lifting of lockdown.

The Group has ensured to maintained the stock of reagents, consumables and other materials to ensure the availability till the transport modes are fully functional and resume to normalcy after lifting of lockdown.

The employees and field personnel of the Group, since mostly are resident of and around the respective laboratory/ office, after lifting of lockdown, immediately they are available for resuming operations of the Group.

Meanwhile, the Group, being engaged into healthcare, has already taken all adequate measures to ensure safety of its employees, executives, senior employees, directors, vendors and customers, to ensure smooth and safe functioning of operations.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

Impact on capital and financial resources

The Group has conserved its capital and financial resources over the year to mitigate any short term impact on account of COVID-19 like situations. Though the financial resources of the Group were impacted in short run partly on account of cessation of regular business and scaling down of operations during the lockdown period, the Group continues to adhere the obligations towards its employees and vendors. There was minimal impact on capital and financial resources of the Group during the last quarter of current financial year.

Other disclosures

The Group has conserved sufficient liquid resources to ensure the operations of the Group are conducted smoothly.

The Group has no debt obligations as on date and there are no any impact foreseen on the assets of the Group, other thant already disclosed in this financial statement or this disclosure.

The Group has inculcated prudent financial discipline among the management team to ensure maintenance and improvising the financial stability and strength of the Group through enhanced internal financial reporting and better control.

f. Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group, the primary objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

The capital structure of the Group consists of equity attributable to the owners of the Company, comprising issued capital, reserves and accumulated profits as presented in the statement of changes in equity.

Consequent to such capital structure, there are no external imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or reinvestment into business based on its long term financial plans.

g. Details of interests in subsidiaries and associates

Subsidiaries

The details of the Company's subsidiaries at 31 March 2020 is set below.

The country of incorporation is also the principal place of business.

Name of entity	Country of Incorporation	Shareholding % As on	
		31 March 2020	31 March 2019
Nueclear Healthcare Limited	India	100%	100%

Associates

The details of the Company's associates at 31 March 2020 is set below.

The country of incorporation is also the principal place of business.

Name of entity	Country of Incorporation	Shareholding % As on	
		31 March 2020	31 March 2019
Equinox Labs Private Limited	India	30%	30%
Thyrocare International Holding Company	Mauritius	-	9.09%

Thyrocare International Holding Company was liquidated during the current year and the Company has received the liquidation proceeds during the current year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2020

Currency: In crore of INR

h. Additional information as required under para 2 of General Instruction for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013.

Name of the enterprises	Net assets i.e total assets minus total liabilities		Share in profit or loss	
	As (%) of consolidated net assets	Amount (INR in crore)	As (%) of consolidated profit and loss	Amount (INR in crore)
Parent group				
Thyrocare Technologies Limited	103.16%	378.23	89.73%	79.44
Subsidiary				
Nueclear Healthcare Limited	13.66%	50.09	-20.40%	(18.06)
Eliminations	-16.82%	(61.66)	30.66%	27.15
	100.00%	**366.66**	**100.00%**	**88.53**

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Thyrocare Technologies Limited

CIN - L85110MH2000PLC123882

Amar Sunder
Partner
Membership No: 078305

Ramjee D
Company Secretary
Membership No - F2966

A Sundararaju
Executive Director & CFO
DIN - 00003260

Dr. A Velumani
Chairman, Managing Director & CEO
DIN - 00002804

Mumbai
23 May 2020

Mumbai
23 May 2020

Notice

Notice is hereby given that the 20th Annual General Meeting of the Company will be held at 03.00 P.M. on Tuesday, September, 29, 2020, through video-conferencing ("VC") / Other Audio Visual Means ("OAVM") facility to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Stand-alone Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Board's Report and Auditors' Report thereon.

2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Auditors' Report thereon.

3. To confirm the payment of Interim Dividend of ₹ 5/- (Rupees Five only) per share, already paid during the year as the Final Dividend for the Financial Year 2019-20.

4. To appoint a Director in the place of Miss. Amruta Velumani (DIN: 06534120), who retires by rotation, and being eligible, offers herself for re-appointment.

Special Business:

5. **Reappointment of Dr. A. Velumani (DIN: 00002804) Chairman as Managing Director & Chief Executive Officer.**

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

   "RESOLVED THAT pursuant to the provisions of Sections 188, 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the rules made thereunder, and Schedule V to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), and the applicable provisions of the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the reappointment of Dr. A. Velumani, Chairman, as the Managing Director and Chief Executive Officer of the Company for a period of five years from 01-04-2020, on the following terms & conditions:

He would be paid remuneration & perquisites as follows:

1. Salary:
   Re. 1/- (Rupee One Only) per month.

2. Accommodation:
   Free furnished accommodation including provision of gas, electricity and water.

3. Perquisites:
   (a) Contribution to Provident Fund, Superannuation Fund and/or Annuity Fund, as per Company's rules.

   (b) Gratuity as per Company's rules.

   (c) Free use of Car with Driver, and free Telecommunication facilities.

   (d) Reimbursement of medical expenses (including premium for medical and hospitalization insurance policy) incurred for self and family as per Company's rules.

   (e) Leave, Leave Travel Concession and Encashment of Unavailed leave as per Company's rules.

Reimbursement of entertainment, travelling and other expenses incurred for Company's work will not be considered as perquisite.

6. **Reappointment of Mr. A. Sundararaju (DIN: 00003260) as Executive Director & Chief Financial Officer.**

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

   "RESOLVED THAT pursuant to the provisions of Sections 188, 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the rules made thereunder, and Schedule V to the Act, (including any statutory modification or re-enactment thereof for the time being in force), and the applicable provisions of the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the reappointment of Mr. A. Sundararaju as Executive Director and Chief Financial Officer of the Company for a period of five years from 01-04-2020, on the following terms & conditions:

He would be paid remuneration & perquisites as follows:

1. Salary:
   ₹ 5,00,000/- (Rupee Five Lakhs Only) per month.

2. Accommodation:
   Free furnished accommodation including provision of gas, electricity and water.

3. Perquisites:
   (a) Contribution to Provident Fund, Superannuation Fund and/or Annuity Fund, as per Company's rules.
   (b) Gratuity as per Company's rules.
   (c) Free use of Car with Driver, and free Telecommunication facilities.
   (d) Reimbursement of medical expenses (including premium for medical and hospitalization insurance policy) incurred for self and family as per Company's rules.
   (e) Leave, Leave Travel Concession and Encashment of Unavailed leave as per Company's rules.

Reimbursement of entertainment, travelling and other expenses incurred for Company's work will not be considered as perquisite.

7. **Ratification of Remuneration to the Cost Auditor for the Financial Year 2019-20:**
   To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), remuneration of ₹ 1,00,000/- (Rupees One Lakh only) fixed by the Board of Directors for Mr. S. Thangavelu, Cost and Management Accountant, appointed as the Cost Auditor of the Company, for conducting audit of the cost records of the Company for the financial year 2019-20, excluding applicable tax, if any, and reimbursement of travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed."

8. **Approval of Employees Stock Option Scheme 2019-20:**
   To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

"RESOLVED AS SPECIAL RESOLUTION

THAT pursuant to the provisions of Section 62 (1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time, and in furtherance of the resolutions passed on this subject in the earlier Annual General Meetings, the Company's ESOP Scheme, envisaging distribution, over a period of ten years commencing from 2014-15, of a total number of 5,05,359 Stock Options, (which includes both Stock Options already granted and Stock Options yet to be granted, as shown below), exercisable into equivalent number of new Equity Shares, be and is hereby approved, ratified and confirmed.

S. No.	Year / Particulars	Options Already Granted to the employees	Options Lapsed & Added back to the Pool	Options Exercised & Shares allotted (or) Options already Granted but not yet Vested
A	**Options Granted, Vested, Exercised & Shares Allotted**			
1	2014-15 - vested & exercised in 2018	40,434	6,461	33,973
2	2015-16 - vested & exercised in 2019	50,537	12,778	37,759
	Total Options granted & exercised - A	**90,971**	**19,239**	**71,732**
B	**Options Granted, But Yet To Be Vested & Exercised**			
3	2016-17 - Due for vesting in 2020	50,516	-	50,516
4	2017-18 - Due for vesting in 2021	40,452	-	40,452
5	2018-19 - Due for vesting in 2022	40,429	-	40,429
6	2019-20 - Being granted now and due for vesting in 2023	40,429	-	40,429
	Total Options granted but yet to be exercised - B	**171,826**		**171,826**
7	**Total (A) Options Granted and Exercised by Grantees and (B) Options Granted but Yet to be exercised) - C**			**243,558**
8	**Balance Options to be granted in the coming years - D**			**261,801**
9	**Total Options approved as per the ESOP Scheme (C+ D)**			**505,359**

THAT consent / approval of the Members be and is hereby given for granting Stock Options not exceeding 40,429 Nos. in total, exercisable into equivalent number of equity shares, to the eligible employees of the Company as Employees Stock Options for the financial year 2019-20, as part of the above Scheme and to be exercised as per the rules of the said Scheme.

THAT the Options granted but not exercised by any of the employees as a result of his / her becoming ineligible for exercising the granted Options, for whatever reason, would be added back to the Pool, and would be available for subsequent distribution, subject to the statutory rules and regulations.

THAT the Board of Directors of the Company be and is hereby authorised to issue and allot new Equity Shares upon exercise of Stock Options by Employees from time to time - Options already granted and Options to be granted.

THAT the new Equity Shares so issued and allotted to the concerned employee-allottees shall be issued in dematerialised form, and shall be credited to the respective demat account of the employee-allottees with National Securities Depository Limited or Central Depository Services (India) Limited, and shall be listed in both National Stock Exchange of India Ltd., and BSE Limited.

THAT the new Equity Shares so issued and allotted to the concerned employee-allottees against the Stock Options exercised by them, shall be subject to the Memorandum & Articles of Association of the Company, and shall rank pari passu in all respects with the Equity Shares of the Company already existing for the time being.

THAT the Board of Directors of the Company be and is hereby authorised and empowered:

i) to formulate one or more schemes, policies, rules, regulations and guidelines and to modify, revise, rescind and restructure any existing or new schemes, policies, rules, regulations and guidelines at their discretion, if deemed necessary or desirable by them for proper implementation, operation, management and administration of the Scheme, subject to the applicable statutory rules and regulations for the time being in force.

ii) to determine the individual number of Stock Options to be granted for each of the eligible employees every year, and to fix up / revise the basis, norms, rules, modus operandi, etc., for this purpose.

iii) to make necessary disclosures in the Annual Report and to comply with all applicable statutory rules and regulations.

iv) to issue and allot new Equity Shares as and when the Stock Options granted get vested and the employees exercise their Options.

v) to delegate any of the powers conferred upon them to a Committee of Directors, Committee of Executives or to any individual director/executive.

vi) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper for giving effect to this resolution and to settle all questions, difficulties or doubts that may arise in relation to formulation, implementation, operation, management and administration of the ESOP Scheme without requiring the Board to secure any further consent or approval from the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board
For Thyrocare Technologies Limited

Ramjee Dorai.
Head (L & S) and Company Secretary

May 23, 2020
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively "MCA Circulars"), permitted companies to conduct Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars, and applicable provisions of Companies Act, 2013 and the Rules made thereunder, and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 20th AGM of the Company is being convened to be conducted through VC/OAVM. The venue of the AGM shall be deemed to be the Corporate Office of the Company situated at D-37/3, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400703.

2. The Company has enabled the Members to participate at the 20th AGM through the VC/OAVM facility provided by Central Depository Services (India) Limited ("CDSL"). The instructions for participation by Members are given in a separate attachment. Participation at the AGM through VC/OAVM shall be allowed on a first-come-first-served basis up to maximum of 1000 members excluding shareholders holding 2% or more shareholding and KMPs of the Company and others as may be decided by the Company.

3. As per the provisions under the MCA Circulars, Members attending the 20th AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. As per the provisions of Sec. 105 of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. However, since the 20th AGM is being held through VC/OAVM as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 20th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice, as also permitted by SEBI vide their circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

5. Corporate Members are required to log on to "www.evotingindia.com" and upload a certified copy of the Board resolution authorizing their representative to attend the AGM through VC/OAVM and vote on their behalf. Institutional investors are encouraged to attend and vote at the meeting through VC/OAVM.

6. 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.

7. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting prior to the AGM and e-voting during the AGM.

8. The process of remote e-voting with necessary user id and password is given in a separate attachment. Such remote e-voting facility is besides e-voting that will take place at the 20th AGM being held through VC/OAVM. The Members can make use of either of the above two facilities for casting their vote.

9. Members who join the meeting through VC/OAVM and have not already cast their vote by means of remote e-voting prior to the AGM, shall be able to exercise their right to vote through e-voting at the AGM.

10. Those Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM but shall not be entitled to cast their vote again.

11. The Company has appointed M/s. S. Anantha & Ved LLP, Practising Company Secretaries, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

12. In line with the said MCA Circulars and SEBI Circular, the notice of 20th AGM along with the Annual Report 2019-20 is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Depositories.

13. Members may please note that this Notice and Annual Report 2019-20 will also be available on the Company's website at https://www.thyrocare.com/investors/Annual Reports/AGM Notices, as well as on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL, "www.evotingindia.com"

14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited (Unit: Thyrocare Technologies Limited), C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083.

15. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he / she is already registered with CDSL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

16. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business to be transacted at the meeting, as mentioned in the Notice, is annexed hereto and forms part of this Notice.

17. Since the AGM will be held through VC/OAVM, no Route Map of AGM venue is attached.

18. The Company's equity shares are Listed at (i) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai – 400051 and (ii) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai-400 001 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial year 2019-20.

19. Members are requested to send all communication relating to shares (Physical/Electronic) to the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited (Unit: Thyrocare Technologies Limited), C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083.

20. Some of the Members have not claimed dividend paid for the earlier years, and these unclaimed dividend amounts have been transferred to the respective Unpaid Dividend Accounts, as per details given below:

Year	2015-16 Final	2016-17 Interim	2016-17 Final	2017-18 Interim	2017-18 Final	2018-19 Final	2019-20 Interim
Unclaimed Amount- ₹	192,390	62,590	72,100	60,255	55,740	207,860	59,520
No. of Shareholders	1,454	375	371	308	322	240	277

21. Such members may please note that dividend amounts that remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account will be transferred to the Investor Education & Protection Fund, as required under Section 124 of the Companies Act, 2013. **What is more, such shares shall also be transferred to the said Fund.** Therefore, those members who have not claimed their dividend for the above periods may send their claims to the Registrar & Share Transfer Agent at the address given above, or to the Company Secretary at the Company's Corporate Office address, at the earliest.

22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the said Act, as well as the Certificate from the Statutory Auditors relating to the Company's Stock Option Scheme under SEBI (Share Based Employee Benefits) Regulations, 2014, will be available for inspection by the members electronically during the meeting. Members seeking to inspect such documents can send an email to investor_relations@thyrocare.com.

23. In terms of Section 72 of the Act, read with the applicable rules thereto, the facility of making nomination is available to all the Members in respect of the shares held by them. Those who have not registered their nomination may do so by submitting Form No. SH-13 to their Depository Participant. The said Form can be downloaded from the Company's website, www.thyrocare.com. The said Form can also be obtained from the website of Company's Registrar & Share Transfer Agents, https://linkintime.co.in/client-downloads.html

By order of the Board,
For Thyrocare Technologies Limited

Ramjee Dorai.
Head (L & S) & Company Secretary

May 23, 2020
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

Notes:

Item No. 4: Reappointment of Miss. Amruta Velumani (DIN: 06534120) as Director liable to retire by rotation:

A brief profile of Miss. Amruta Velumani, seeking reappointment as Director at the 20th Annual General Meeting, giving information as specified in Reg. 36(3) of the Listing Regulations, is given below:

Date of Birth	29-05-1991
Date of Appointment on the Company's Board	22-02-2016
Brief Resume	Miss. Amruta Velumani is daughter of Dr. A. Velumani. She is a post-graduate, and holds a Master's Degree in Science from ITM University. She is presently the Managing Director of Sumathi Healthcare Private Limited (Formerly known as Sumathi Construction Private Limited.
	Miss. Amruta Velumani was earlier a non-executive director of the Company from 27-09-2013 to 15-11-2014. She was again appointed as a Non-Executive Non-Independent director on 22-02-2016 in the casual vacancy caused by the untimely demise of her mother, Mrs. Sumathi Velumani.
Expertise in specific functional areas	Miss. Amruta Velumani has about twelve years experience in functional areas relating to General Administration, Personnel & Human Resources Management, and Business Development.
Disclosure of inter-se relationship between directors and key managerial personnel	Miss. Amruta Velumani is the daughter of Dr. A. Velumani, Chairman, Managing Director & CEO.
Names of listed entities in which she holds directorship, and/or membership or chairmanship of Committees of the Board.	Miss. Amruta Velumani is not holding directorship in any other listed entity.
Number of shares held in the Company	Miss. Amruta Velumani holds 752,512 equity shares in the Company, equivalent to 1.42% of the total paid-up equity capital of the Company.

The Board of Directors recommend the above resolution to the Members for their approval.

EXPLANATORY STATEMENT

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

Item No. 5: Reappointment of Dr. A. Velumani, Chairman, as Managing Director & Chief Executive Officer for a further period of five years from 01-04-2020.

As the previous term of appointment of Dr. A. Velumani as Managing Director & CEO, approved by the Members would expire on 31-03-2020, the Board of Directors at their meeting held on 01-02-2020, reappointed him as the Managing Director & Chief Executive Officer of the Company for a further period of five years from 01-04-2020 subject to the approval of Members.

Dr. A. Velumani, who had been fixed a remuneration of ₹ 10,00,000/- at the time of reappointment in 2014, opted to receive a token remuneration of Re. 1/- (Rupee one only) per month at the time of his reappointment in 2017. When his reappointment was considered at their meeting held on 1st February 2020, where Dr. A. Velumani was not present, the Nomination & Remuneration Committee, consisting of three Independent Directors, passed a resolution recommending to the Board of Directors to reappoint Dr. A. Velumani for five years and fix his remuneration at ₹ 1.5 crores per annum plus perquisites. The Board of Directors who met subsequently, without the presence of Dr. A. Velumani, Mr. A. Sundararaju and Miss. Amruta Velumani (all Promoter-Directors), had accepted the recommendation of the Nomination & Remuneration Committee. However, on being apprised of the Board's decision, Dr. A. Velumani declined to accept the remuneration fixed and opted to receive the same amount of Re. 1/-(Rupee One only) per month as token remuneration. The Board appreciated his gesture and decided to reappoint him for five years, with the above token remuneration and on the perquisites and other terms & conditions as mentioned in the resolution.

Dr. A. Velumani is the founder-promoter of the Company and has been the Managing Director from inception and is responsible for the phenomenal growth of the Company and it is under his stewardship that the Company came out with IPO in 2016, which was over-subscribed more than 75 times, and received applications from more than 7.15 lakh retail investors. He has become an authority on clinical diagnostic industry and preventive health-care initiatives. The Board of Directors recommend to the Members to approve the Resolution.

He is related to Mr. A. Sundararaju, Executive Director & CFO, and Miss. Amruta Velumani, Non-Executive Director. The information as required in accordance with Rule 15 of Companies (Meetings of Board & its Powers) Rules, 2014, as well as pursuant to the provisions of Sec. 102 of the Act is as follows:

(a) Name of the related party: Dr. A. Velumani.

(b) Name of the Director or Key Managerial Personnel who is related: Mr. A. Sundararaju, Executive Director & Chief Financial Officer and Miss. Amruta Velumani, Non-Executive Director.

(c) Nature of relationship: Dr. A. Velumani is the brother of Mr. A. Sundararaju, Executive Director & Chief Financial Officer, and father of Miss. Amruta Velumani, Non-Executive Director.

(d) Nature, material terms, monetary value and particulars of the contract or arrangement: Dr. A. Velumani is reappointed as the Managing Director & Chief Executive Officer for a period of five years from 01-04-2020 on a token salary of Re.1/- per month, with such perquisites and benefits as mentioned in the Resolution, subject to approval of Members.

Disclosure of Interest:

Mr. A. Sundararaju, Executive Director & Chief Financial Officer and Miss. Amruta Velumani, Non-Executive Director, being Brother and Daughter respectively of Dr. A. Velumani, should be deemed to be interested in passing of this Resolution to the extent of remuneration and other benefits payable to him. None of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution set out at Item No. 5 of the Notice.

Item No. 6: Reappointment of Mr. A. Sundararaju, as Executive Director & Chief Financial Officer for a further period of five years from 01-04-2020.

As the previous term of appointment of Mr. A. Sundararaju as Executive Director & Chief Financial Officer, approved by the Members would expire on 31-03-2020, the Board of Directors at their meeting held on 01-02-2020, reappointed him as Executive Director & Chief Financial Officer of the Company, as recommended by the Nomination & Remuneration Committee and the Audit Committee, for a further period of five years from 01-04-2020, subject to approval of Members.

When his reappointment was considered at their meeting held on 1st February 2020, where Mr. A. Sundararaju was not present, the Nomination & Remuneration Committee, consisting of three Independent Directors, passed a resolution recommending to the Audit Committee and the Board of Directors to reappoint Mr. A. Sundararaju for five years and fix his remuneration at ₹ 0.75 crores per annum plus perquisites. The Audit Committee, which met without the presence of Mr. A. Sundararaju, also passed a similar resolution. The Board of Directors who met subsequently, without the presence of Dr. A. Velumani, Mr. A. Sundararaju and Miss. Amruta Velumani (all Promoter-Directors), had accepted the recommendation of the Nomination & Remuneration Committee and Audit Committee. However, on being apprised of the Board's decision, Mr. A. Sundararaju declined to accept the enhanced remuneration fixed and opted to receive the same amount of ₹ 5,00,000/- (Rupees Five Lakhs only) per month as his remuneration. The Board appreciated his gesture and decided to reappoint him for five years, with the same remuneration and on the perquisites and other terms & conditions as mentioned in the resolution.

Mr. A. Sundararaju, is a Promoter-Director of the Company, and has been the Executive Director from inception and is responsible for the financial management and it is under his financial management that the Company remains a debt-free company. The Board of Directors recommend to the Members to approve the Resolution.

He is related to Dr. A. Velumani, Chairman, Managing Director & CEO. The information as required in accordance with Rule 15 of Companies (Meetings of Board & its Powers) Rules, 2014, as well as pursuant to the provisions of Sec. 102 of the Act is as follows:

(a) Name of the related party: Mr. A. Sundararaju.

(b) Name of the Director or Key Managerial Personnel who is related: Dr. A. Velumani, Chairman, Managing Director & CEO.

(c) Nature of relationship: Mr. A. Sundararaju is the brother of Dr. A. Velumani, Chairman, Managing Director & CEO.

(d) Nature, material terms, monetary value and particulars of the contract or arrangement: Mr. A. Sundararaju is reappointed as the Executive Director & Chief Financial Officer for a period of five years from 01-04-2020 on the same salary of ₹ 5 lakhs per month, with such perquisites and benefits as mentioned in the Resolution, subject to approval of Members.

Disclosure of Interest:

Dr. A. Velumani, Chairman, Managing Director & CEO, being Brother of Mr. A. Sundararaju, and Miss. Amruta Velumani, being daughter of Dr. A. Velumani, should be deemed to be interested in passing of this Resolution to the extent of remuneration and other benefits payable to him. None of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution set out at Item No. 6 of the Notice.

Item No. 7: Ratification of remuneration to Cost Auditor:

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company was required to appoint a cost auditor to conduct an audit of the cost records of the Company for Financial Year 2019-20 and the remuneration payable to him has to be ratified / approved by the members of the Company.

Accordingly, as recommended by the Audit Committee, the Board appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, having Membership No. 11315 as the Cost Auditor of the Company, for the financial year 2019-20 on a remuneration of ₹ 1,00,000/-, plus reimbursement of applicable tax, if any, and all out-of-pocket expenses incurred, if any, in connection with the cost audit. The remuneration fixed for the cost auditor is required to be ratified by the Members, as provided under Rule 14 (a) (ii) of the Companies (Audit and Auditors) Rules, 2014. The Board of Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution for payment of remuneration to the Cost Auditor, as set out at Item No. 7 of the Notice.

Item No. 8: Approval of Employees Stock Option Scheme 2019-20:

In the year 2014, the Company had issued and allotted 33,650 Nos. of equity shares of the Company to be offered to such of those employees of the Company who had contributed for the growth of the Company and who were on the rolls of the Company as on the date of sanction of the Scheme (Employees Share Purchase Scheme). These shares were allotted in the name of Thyrocare Employees Stock Option Trust, specially formed for this purpose. Subsequent to the issue of Bonus Shares thereafter, the total number of shares registered in the name of the Trust had gone up to 1,34,600. These shares were offered, after completion of 3-year waiting period, to the eligible employees and all of them have accepted the offer; out of these, 1,34,236 shares have already been transferred to the respective employees together with dividend paid thereon and kept in the Bank, and transfer of the remaining 364 equity shares to one employees is in the process and is expected to be completed shortly.

The Company had also decided then to introduce an Employees Stock Option Scheme and grant to the employees Stock Options equivalent to 1% (one per cent) of the paid up capital of the Company as on date of sanction of the Scheme, amounting to 5,05,359 Numbers of Stock Options, excisable into equivalent number of new Equity Shares of ₹ 10/- each, to be distributed every year over a period of ten years, commencing from the Financial Year 2014-15, which would work out to 0.1% every year. It was also decided that this ratio would be fine-tuned in correlation with the growth of the Company each year as follows:

< 20% Growth	0.08%
> 20% Growth	0.10%
> 30% Growth	0.12%

On this basis, the Company had issued 40,434 Stock Options for the year 2014-15 and 50,537 Stock Options for the year 2015-16, which vested on completion of three years from the respective date of granting. Meanwhile, some of the employees had left the services of the Company before the vesting date, and therefore became disentitled to the Options, and 6,461 Options and 12,778 Options granted to those employees got lapsed. The remaining employees exercised the Options granted to them fully, and 33,973 new Equity Shares and 37,759 new Equity Shares were issued and allotted to them in 2018 and 2019 respectively. The lapsed stock options were added back to the Pool.

In addition, the Company has granted 50,516 Stock Options for the year 2016-17, which would vest in the current year, and 40,452 Stock Options for the year 2017-18, and 40,429 Stock Options for the year 2018-19, to the eligible employees, which would vest in the years 2021 and 2022 respectively.

In accordance with the Scheme, it is proposed to distribute Stock Options equivalent to 0.08% of the paid-up capital of the Company, aggregating to 40,429 Stock Options (with individual entitlements rounded off) as Employees Stock Options for the Financial Year 2019-20.

Instead of obtaining in-principle from the stock exchanges for listing of the new shares every year, which is a time-consuming process, it is proposed to obtain one time in-principle approval for the entire remaining shares. Hence, an appropriate resolution is proposed for approval of Members.

The Scheme will be subject to the applicable provisions of the Companies Act, 2013, as amended and the rules framed thereunder, SEBI (Share Based Employee Benefits) Regulations 2014, and such other rules & regulations as are already applicable or as may become applicable during the subsistence of the scheme. The brief details of the Thyrocare Employees Stock Option Scheme 2020 are as follows:

A	Brief description of the scheme(s);	In the year 2015, the Company introduced the Employees Stock Option Scheme with a view to attracting and retaining the talent, instilling a sense of belonging in the minds of the employees and thereby motivating the employees to excel in their performance and thus contribute to the growth of the Company.
		The Scheme envisages issue of Stock Options equivalent to 1% of the then paid-up capital of the Company made up of 50,53,5971 equity shares of ₹ 10/- each, aggregating to 5,05,359 * Stock Options (equivalent to corresponding number of equity shares) to be distributed over a period of ten years, starting from Financial Year 2014-15, at the rate of 0.1% each year which would be fine-tuned in correlation with the growth of the Company each year as follows:
		< 20% Growth 0.08%
		> 20% Growth 0.10%
		> 30% Growth 0.12%
		Within the limit fixed for each year, the number of Stock Options to be issued to individual employees will be decided based on the norms fixed by the Nomination & Remuneration Committee (Compensation Committee) and Board of Directors for each year. The current status of the Scheme is as follows:

Financial Year	Stock Options issued	Stock Options lapsed	Stock Options exercised or yet to be vested
2014-15 $	40,434	6,461	33,973
2015-16 $	50,537	12,778	37,759
2016-17	50,516	Not yet vested	50,516
2017-18	40,452	Not yet vested	40,452
2018-19	40,429	Not yet vested	40,429
2019-20	40,429	Not yet vested	40,429
Options issued	**262,797**	**19,239**	**243,558**
Options available for further distribution.			**261,801**
Total			**505,359**

B	The total number of options, SARs, shares or benefits, as the case may be, to be granted;	A total number of 5,05,359 Stock Options is envisaged under the Scheme for distribution over a period of ten years. Out of this, a total number of 40,429 Stock Options would be granted, this year.
C	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s);	Those employees who have completed two years of service as on the date of sanction of the Scheme by the Board would be entitled to participate and be beneficiaries in the Scheme.
D	Requirements of vesting and period of vesting;	The employees should continue to be in the service for a period of three years from the date of granting the Option. Period of vesting is 3 years after date of granting.
E	Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options / SARs / benefit shall be vested;	Three years from the date of granting of Options.
F	Exercise price, SAR price, purchase price or pricing formula;	Exercise price will be ₹ 10/- per share.
G	Exercise period and process of exercise;	The grantees can exercise their option within one year from the date of vesting.
H	The appraisal process for determining the eligibility of employees for the scheme(s);	All those permanent employees who have completed two years of continuous service as at the end of the relevant financial year will be eligible to participate. Individual eligibility will be determined based on their contribution, work discipline, seniority, etc.

I	Maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;	Within the total number of 40,429 Stock Options, the maximum number of Options to be granted per employee will be decided based on specified norms.
J	Maximum quantum of benefits to be provided per employee under a scheme(s);	Maximum quantum of benefit is equivalent to the difference between the market price and the issue price in respect of the number of Shares allotted for each employee against the Stock Options exercised by them.
K	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The scheme is to be implemented and administered directly by the Company.
L	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by trust or both;	The scheme envisages new issue of shares.
M	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;	Not applicable, since the employees will have to pay and acquire the shares offered to them.
N	Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	The Company does not envisage any secondary acquisition for this purpose.
O	A statement to the effect that the company shall conform to the accounting policies specified in regulation 15;	The Company shall conform to the accounting policies specified in regulation 15.
P	The method which the company shall use to value its options or SARs;	Intrinsic value method would be used for valuation of the Options granted.
Q	The following statement, if applicable: In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'	It is confirmed that the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value of the Options, shall be disclosed in the Board's Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Board's Report.
R	Any other useful information	We have to obtain In-Principle approval from the Stock Exchanges every year whenever the Options are exercised and new Shares are to be issued and allotted to the employees, which is a time-consuming process and repetition of the same procedures. So, it was decided to obtain one-time In-Principle approval for listing the entire balance shares. Therefore, the approval of Members is sought for Thyrocare Stock Option Scheme consisting of Stock Options already issued and Stock Options yet to be issued.

** The total no. of Options to be granted / Shares to be issued has been rounded off to 505,359 only.*

$ The Stock Options issued for 2014-15 vested on 26-09-2018 and the Options issued for 2015-16 vested on 12-09-2019, after the specified period of three years from the date of granting of Options, respectively. Out of the eligible employees to whom these options were granted, some employees had left the services of the Company, and the remaining employees exercised the Options granted to them, equivalent to 33,973 equity shares in 2018 and 37,759 equity shares in 2019. Accordingly, these new shares were issued and allotted to them. These shares have also been listed with both National Stock Exchange of India Ltd. (NSE) and BSE Ltd., (BSE) and credited to the respective demat accounts of the employees. 6,461 and 12,778 Stock Options lapsed in the above two years would be added back to the Pool, for further distribution, subject to the applicable provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and the Companies Act, 2013.

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner, until expiry of three years from the date of granting, which is determined as the Vesting Date for exercising the Option.

The Scheme would be implemented, managed and administered directly by the Company. The shares to be issued to the employees on their exercising the Option would be by way of fresh allotment, and not sourced from secondary market. The Board of Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested in the passing of the Resolution set out at Item No. 8 of the Notice, (other than the Company Secretary and Senior Managerial Personnel, who would be entitled to Stock Options as per the terms of the Scheme).

By order of the Board,
For Thyrocare Technologies Limited

Ramjee Dorai
Head (L & S) and Company Secretary

May 23, 2020
Registered office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

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

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.thyrocare.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins at 09.00 A.M. on Saturday, September 26, 2020 and ends at 05.00 P.M. on Monday, September 28, 2020. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Tuesday, September 22, 2020 the cut-off date fixed for this purpose, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company, or

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login-Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-voting option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN of Thyrocare Technologies Limited on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least Seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor_relations@thyrocare.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least Three (3) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor_relations@thyrocare.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor_relations@thyrocare.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

Notes

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