

**INDEPENDENT AUDITOR'S REPORT
To The Members of Suraksha Diagnostic Private Limited
Report on the Audit of the Consolidated Financial Statements**

Qualified Opinion

We have audited the accompanying consolidated financial statements of Suraksha Diagnostic Private Limited ("the Company" / "the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2023, and the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, except for the possible effects of the matters described in the Basis for Qualified Opinion section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

1. As described in note 30 to the consolidated financial statements, in contravention of the provisions of section 185 of the Act, during the year ended 31 March 2022, the Company provided a guarantee of Rs.6,700 lakh to and created a charge on certain items of Land and Building and certain items of Property Plant and Equipment (medical equipment) belonging to the Company for Rs.2,827.16 lakh and Rs.1,105.83 lakh during the years ended 31 March 2022 and 31 March 2023 respectively, in favour of a lender against loans given by the lender to the Company's Whole Time Directors. Post 31 March 2023, the Company has filed an application for compounding of the offence under section 441 of the Act which is pending adjudication and has represented that this would have no material impact on the consolidated financial statements. In the absence of sufficient appropriate audit evidence supporting the Company's representation, we are unable to comment whether the adjudication may result in possible adjustments and/or disclosures in the consolidated financial statements.
2. With respect to the multiple emails alleging financial fraud / liquidation of monies / money laundering by the Company / directors over the period from 2020 to 2023 described in note 37 to the consolidated financial statements, we were unable to obtain sufficient appropriate audit evidence with respect to a vendor for capital goods, inter-alia its existence, validity of transactions, from whom procurements aggregated Rs.95.77 lakh during the period from 1 April 2021 till 21 January 2024 (during the year ended 31 March 2023, Rs.20.47 lakh; from 1 April 2023 till date of the report, Rs.26.72 lakh, per information provided by the management). In view thereof, we are unable to opine on the nature of these transactions and the impact, if any, on these consolidated financial statements including any prior period adjustments, other disclosures and compliances that may be required.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements

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under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

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

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors' report but does not include the consolidated and standalone financial statements and our auditor's report thereon. The Board of Directors' report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group are responsible for assessing the ability of the respective entities 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 their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors / Designated Partners of the companies / Limited Liability Partnership Firms included in the Group are also responsible for overseeing the financial reporting process of the Group.

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Auditor's Responsibility 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, and 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.

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

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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.

Other Matters

- (a) We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs.234.91 lakh as at 31 March 2023, total revenues of Rs.31.00 lakh and net cash inflows amounting to Rs.41.38 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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 these subsidiaries and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) The comparative financial information for the year ended 31 March 2022 included in these consolidated financial statements prepared in accordance with the Accounting Standards have been audited by the predecessor auditors M S K A & Associates, Chartered Accountants, who issued an unmodified opinion vide their report dated 30 September 2022.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, 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.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement 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) Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) The matter described in the Basis for Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the Group.
 - f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164 (2) of the Act.
 - g) The qualification relating to maintenance of accounts and other matters connected therewith, are as stated in the Basis for Qualified Opinion section and in the paragraph (b) above.

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- h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is related to the Holding Company only since reporting under section 143(3)(i) of the Act is not applicable in view of the exemption available to the subsidiaries incorporated in India in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017. Our report expresses qualified opinion on the operating effectiveness of the Holding Company's internal financial controls with reference to consolidated financial statements for the reasons stated therein.
- i) In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiaries incorporated in India, the Holding Company and said subsidiaries being limited liability partnership firms, section 197 of the Act related to the managerial remuneration is not applicable.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The Group does not have any pending litigations which would impact its consolidated financial position.
 - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - iv) (a) The respective Managements of the Holding Company and its subsidiaries which are limited liability partnership firms incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of Holding Company and its subsidiaries which are limited liability partnership firms incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are limited liability partnership firms incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the

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other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The Holding Company and its subsidiaries which are limited liability partnership firms incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.
 - vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. 1 April 2023 to the Holding Company and its subsidiaries which are limited liability partnership firms incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.
2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Holding Company, we report that CARO is applicable only to the Holding Company and not to any other subsidiaries included in the consolidated financial statements. We have reported qualifications in the CARO report of the Holding Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.117366W/ W-100018



Abhijit A. Damle
Partner
Membership No. 102912
UDIN: 24102912BKEPEE7221

Place: Kolkata
Date: 31 January 2024

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Suraksha Diagnostic Private Limited ("the Company" / "the Holding Company") as of 31 March 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

Meaning of Internal Financial Controls with reference to financial statements

A Holding Company's internal financial control 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 Holding Company's internal financial control with reference to 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 Holding Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide

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reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Holding 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 control 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.

Qualified Opinion

According to the explanations given to us and based on our audit, the following material weaknesses have been identified as at 31 March 2023:

- (i) The Company did not have an appropriate internal control with reference to standalone financial statements for vendor onboarding and continuance on an ongoing basis (Company being unaware of commercial and statutory matters at the vendors) which could potentially result in material misstatement in the Company's purchases.
- (ii) The Company's internal financial controls regarding documentation for receipt of capital goods, including material used in construction of leasehold improvements were not operating effectively which could potentially result in material misstatement in items of Property Plant and Equipment.
- (iii) The Company's internal financial controls relating to monitoring compliance of applicable laws and regulations were not operating effectively which could potentially result in misstatement of rates and taxes, other current liabilities and consequent disclosures in the Company's financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weakness described in (a) above, on the achievement of the objectives of the control criteria, the Holding Company has maintained, in all material respects, adequate internal financial controls with reference to the financial statements and except for the effects/ possible effects of the material weakness described in (b) and (c) above the Holding Company's internal financial controls with reference to the financial statements were operating effectively as of 31 March 2023.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2023 consolidated financial statements of the Holding Company, and these material weaknesses do not affect our opinion on the consolidated financial statements of the Holding Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.117366W/ W-100018



Abhijit A. Damle
Partner
Membership No. 102912
UDIN 24102912BKEPEE7221

Place: Kolkata
Date: 31 January 2024

| Particulars | Notes | As at 31-Mar-2023 | As at 31-Mar-2022 |
|--|-------|-------------------|-------------------|
| Equity and Liabilities | | | |
| Shareholders' Fund | | | |
| Share Capital | 3 | 852.86 | 852.86 |
| Reserves and Surplus | 4 | 15,170.99 | 14,144.46 |
| Total Shareholders' Fund | | 16,023.85 | 14,997.32 |
| Liabilities | | | |
| Non - Current Liabilities | | | |
| Long-Term Borrowings | 5 | 841.42 | 1,228.13 |
| Deferred Tax Liabilities (Net) | 6 | 818.90 | 1,004.71 |
| Long-Term Provisions | 7 | 42.70 | 31.14 |
| Total Non-Current Liabilities | | 1,703.02 | 2,263.98 |
| Current Liabilities | | | |
| Short-Term Borrowings | 8 | 559.14 | 673.81 |
| Trade Payables | | | |
| - Total outstanding dues of micro enterprises | 9 | 370.85 | 222.51 |
| - Total outstanding dues of creditors other than micro enterprises | 9 | 1,080.05 | 1,165.44 |
| Other Current Liabilities | 10 | 833.06 | 628.06 |
| Short-Term Provisions | 11 | 7.87 | 120.60 |
| Total Current Liabilities | | 2,850.97 | 2,810.42 |
| Total Equity and Liabilities | | 20,577.84 | 20,071.72 |
| Assets | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 12 | 11,361.04 | 11,755.30 |
| Intangible Assets | 13 | 144.91 | 175.38 |
| Capital Work-in-Progress | 12 | 239.08 | 123.51 |
| Long-Term Loans and Advances | 14 | 367.54 | 197.06 |
| Other Non-Current Assets | 15 | 1,750.06 | 5,639.81 |
| Total Non-Current Assets | | 13,862.63 | 17,891.06 |
| Current Assets | | | |
| Inventories | 16 | 673.45 | 622.53 |
| Trade Receivables | 17 | 557.72 | 756.70 |
| Cash and Bank Balances | 18 | 5,238.39 | 282.47 |
| Short-Term Loans and Advances | 19 | 245.65 | 518.96 |
| Total Current Assets | | 6,715.21 | 2,180.66 |
| Total Assets | | 20,577.84 | 20,071.72 |

The accompanying notes are the integral part of the financial statements 1-38

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No. 117366W /W-100018



Abhijit A. Damle
Partner

Place: Kolkata
Date: 31/01/2024

for and on behalf of the Board of Directors of
Suraksha Diagnostic Private Limited



D. Somnath Chatterjee
Director
DIN: 00137075

Place: Kolkata
Date: 31/01/2024



Ritu Mittal
Director
DIN: 00165885



Suraksha Diagnostic Private Limited
CIN:U85110WB2005PTC102265
Statement of Consolidated Profit and Loss for the year ended March 31, 2023
(all amounts in INR Lacs, unless stated otherwise)

| Particulars | Notes | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------|-------------------------------------|-------------------------------------|
| Income | | | |
| Revenue from Operations | 20 | 19,065.85 | 22,319.25 |
| Other Income | 21 | 279.51 | 230.34 |
| Total Income | | 19,345.36 | 22,549.59 |
| Expenses: | | | |
| Cost of Materials Consumed | 22 | 2,683.18 | 6,040.49 |
| Employee Benefits Expense | 23 | 4,087.29 | 3,413.94 |
| Finance Costs | 24 | 178.98 | 210.37 |
| Depreciation and Amortisation Expenses | 25 | 1,561.71 | 1,509.13 |
| Other Expenses | 26 | 9,602.51 | 8,056.42 |
| Total Expenses | | 18,113.67 | 19,230.35 |
| Profit before Tax | | 1,231.69 | 3,319.24 |
| Tax Expenses : | | | |
| Current Tax | | 353.76 | 922.47 |
| Tax Relating to Earlier Years | | 37.21 | - |
| Deferred Tax | 6 | (185.81) | 21.80 |
| | | 205.16 | 944.27 |
| Profit After Tax for the Year | | 1,026.53 | 2,374.97 |
| Earnings per equity share (Nominal value of Rs 100/-) | 27 | | |
| - Basic | | 148.77 | 344.20 |
| - Diluted | | 120.36 | 278.47 |

The accompanying notes are the integral part of the financial statements

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As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No.117366W /W-100018



Abhijit A. Damle
Partner

Place: Kolkata
Date: 31/01/2024

for and on behalf of the Board of Directors of
Suraksha Diagnostic Private Limited



Dr Somnath Chatterjee
Director
DIN: 00137075

Place: Kolkata
Date: 31/01/2024



Ritu Mittal
Director
DIN: 00165886



| Particulars | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|--|-------------------------------------|-------------------------------------|
| A Cash Flow From Operating Activities | | |
| Profit before Tax | 1,231.69 | 3,319.24 |
| Adjustment to reconcile profit before tax to net cash flows | | |
| Depreciation and amortisation expenses | 1,561.72 | 1,509.13 |
| Interest Income | (253.69) | (181.13) |
| Loss on Sale of Assets | 160.23 | 141.48 |
| Net gain on sale of current investments | - | (0.29) |
| Dividend income from mutual funds | - | (0.64) |
| Liabilities / Provisions no longer required, written back | (15.73) | (37.07) |
| Interest Expenses | 128.95 | 152.56 |
| Operating profit before working capital changes | <u>2,813.17</u> | <u>4,903.28</u> |
| Movement in working capital: | | |
| Increase in Inventory | (50.92) | (178.02) |
| Decrease/(Increase) in Trade Receivables | 198.98 | (116.26) |
| Decrease/(Increase) in Loans and Advances and Other Assets | 215.64 | (194.51) |
| Increase in Trade Payables | 78.69 | 123.08 |
| Increase in Other Liabilities | 57.04 | 102.18 |
| Increase in Provisions | 13.04 | 37.98 |
| Cash generated from operations | <u>3,325.64</u> | <u>4,677.73</u> |
| Income Tax Payments (net of refunds) | 719.29 | 443.64 |
| Net Cash generated from operating activities | <u>A 2,606.35</u> | <u>4,234.09</u> |
| B Cash Flows from Investing Activities | | |
| Purchase of property, plant and equipment and intangibles assets including capital work in progress and capital advances | (1,316.85) | (1,924.89) |
| Proceeds from sale of PPE and Intangible Assets | 67.80 | 34.41 |
| Proceeds from sale of current investments | - | 541.47 |
| Dividend income from Investments | - | 0.64 |
| Investment in fixed deposits (having original maturity of more than three months) | (1,021.85) | (3,211.30) |
| Interest Received | 253.69 | 181.13 |
| Net Cash (used in) investing activities | <u>B (2,017.21)</u> | <u>(4,378.54)</u> |
| C Cash flow from Financing Activities | | |
| Repayment of Long Term Borrowings | (501.38) | 258.88 |
| Interest Paid | (128.96) | (150.17) |
| Net Cash (used in) / generated from Financing activities | <u>C (630.34)</u> | <u>108.71</u> |
| Net (decrease) in cash and cash equivalent | (A+B+C) (41.20) | (35.74) |
| Cash and Cash Equivalents at beginning of the year | <u>257.47</u> | <u>293.21</u> |
| Cash and Cash Equivalents at end of the year | <u><u>216.27</u></u> | <u><u>257.47</u></u> |
| Components of Cash and Cash Equivalent | | |
| Cash in hand (including in digital form) | 56.33 | 44.41 |
| Balance with Bank on Current Accounts | 159.94 | 213.06 |
| | <u><u>216.27</u></u> | <u><u>257.47</u></u> |

Note

The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in Accounting Standard 3 in 'Cash Flow Statement' prescribed under Companies Act, 2013

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No.117366W /W-100018




Abhijit A. Damle
Partner

for and on behalf of the Board of Directors of
Suraksha Diagnostic Private Limited



Dr Somnath Chatterjee
Director
DIN: 00137075



Ritu Mittal
Director
DIN: 00165886

Place: Kolkata
Date: 31/01/2024

Place: Kolkata
Date: 31/01/2024



1. Group Information

The consolidated financial statements comprise financial statements of Suraksha Diagnostic Private Limited ("the Company"), its subsidiary and its step-down subsidiary (collectively referred herein as "the Group") as at and for the year ended March 31, 2023. The Company is a private limited company domiciled in India and incorporated on 15 March, 2005 under the provision of Companies Act, 1956. The Group is principally engaged in the business of running diagnostic centers for carrying out various pathological and radiological services.

2.1. Basis of Preparation of Consolidated Financial Statements:

a) Basis of Preparation

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014 and the Companies (Accounting Standard) Amendment Rules, 2016. The accounting policies applied by the Company are consistent with those used in the previous year.

The accounting policies applied by the Group are consistent with those used in the previous year and the adjustments related to material errors & regrouping/reclassifications has been incorporated for the financial year ended March 31, 2023, to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the period ended March 31, 2023. These notes provide a list of the significant accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of business and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) Basis of consolidation

The consolidated financial statements relate to the company, its subsidiary and step-down subsidiary company ("the Group"). The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard 21 - "Consolidated Financial Statements".
- The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- The difference between the proceeds from disposal of investment in subsidiaries (if any) and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the Consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
- Minority share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Group.

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Suraksha Diagnostic Private Limited

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023
 CIN: U85110WB2005PTC102265

- Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Group's shareholders.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

The list of subsidiaries which are included in the consolidation and the Group's holdings therein are as under:

| Sr. No. | Name of the Company | Country of Incorporation | Ownership in % either directly or through subsidiaries | |
|-------------------------------|------------------------|--------------------------|--|----------------------|
| | | | As on March 31, 2023 | As on March 31, 2022 |
| Subsidiaries | | | | |
| 1 | Suraksha Specialty LLP | India | 99.99 | 99.99 |
| Step-down Subsidiaries | | | | |
| 2 | Suraksha Salvia LLP | India | 60.00 | 60.00 |

c) **Functional and presentation currency**

The Consolidated Financial Statements are presented in Indian Rupees "INR" or "Rs." unless indicated otherwise.

2.2. Summary of significant accounting policies:

a) **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue from Diagnostic Services comprises of amount billed (net of discounts) in respect of tests conducted and is recognized as and when the samples are collected for the purposes of conducting the tests which usually takes not more than 48 hours.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

b) **Property, plant and equipment - tangible assets**

i. Property, plant and equipment, capital work in progress are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and any cost directly attributable to bringing the asset to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/acquisition.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

ii. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to Profit and Loss a/c for the year in which the costs are incurred.

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- iii. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in the Statement of Profit and Loss a/c.
- iv. The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at the end of each year/period and adjusted prospectively, if appropriate.

c) Depreciation on property, plant and equipment

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Group uses Straight Line to provide depreciation on different class of its property, plant and equipment.

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets, as the case may be.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any. The cost comprises purchase price and any cost directly attributable to bringing the asset to its working condition for the intended use.

Amortization of intangible assets has been calculated on straight line basis, based on management estimates, which in the opinion of the management are reflective of the estimated useful lives of the Intangible assets.

| Particulars | Useful life (In years) |
|-------------------|------------------------|
| Computer Software | 5 to 10 years |

Amortization on addition to intangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Amortization on sale/discard from intangible assets is provided for upto the date of sale, deduction or discard of intangible assets as the case may be.

e) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

f) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

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Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

g) Foreign Currency transaction

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur.

h) Inventories:

Inventories comprises of reagents, chemicals, surgical and laboratory supplies, and others are valued at lower of cost and net realizable value.

Cost is determined on First in First out (FIFO) method. The cost of Inventory comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

i) Retirement and other Employee Benefits:

i. Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, dearness allowance, leave encashment, house rent allowance, ex-gratia and various other allowance.

ii. The Group makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, ESI, which are recognized in the Statement of Profit and Loss on accrual basis. Such benefits are classified as Defined Contribution Schemes as the Group does not have any further obligations under these plans beyond its monthly contributions.

iii. The Group's gratuity benefit scheme is a defined benefit plan. The calculation of the Group's obligation under the plan is using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the year in which they arise.

The Group has taken up a Group Gratuity Scheme with Life Insurance Corporation of India (LIC), 'Suraksha Diagnostic Private Limited Employees' Gratuity Fund' to meet its obligation towards gratuity. The contributions made to the Fund are recognized as plan assets. The gratuity benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

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- iv. Accumulated privileged leave / sick leave, which is expected to be encashed / utilized within next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date end.

j) **Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

k) **Provision, Contingent Liability and Contingent Assets**

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are determined based on best estimates of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are neither recorded nor disclosed in the financial statements.

l) **Taxation**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

At each reporting date, the Group reassesses the unrecognized deferred tax assets, if any.

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m) Leases

As a Lessee:

Operating Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

n) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

p) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgement, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of reporting period. Actual results could differ from those estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed at each balance sheet date. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

q) All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lacs as per the requirements of Schedule III, unless otherwise stated. Any amount appearing as Rs 0.00 represents less than Rs 500.

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3 Share capital

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Authorised : | | |
| 12,20,000 equity shares of Rs.100/- each | 1,220.00 | 1,220.00 |
| 1,80,000 0.0001% Compulsorily Convertible Preference Shares of Rs.100/- each | 180.00 | 180.00 |
| Total | 1,400.00 | 1,400.00 |
| Issued Subscribed and Fully Paid Up Shares : | | |
| Equity Share Capital | | |
| 6,90,000 Equity Shares of Rs. 100/- each | 690.00 | 690.00 |
| Preference Share Capital | | |
| 1,62,859 0.0001% Compulsory Convertible Cumulative Preference Share of Rs.100/- each | 162.86 | 162.86 |
| Total | 852.86 | 852.86 |

(a) (i) Reconciliation of no. of equity shares & amount outstanding at the beginning and at the end of the year

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|--------|----------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Equity Shares outstanding at the beginning of the year | 6,90,000 | 690.00 | 6,90,000 | 690.00 |
| Equity Shares Outstanding at the end of the year | 6,90,000 | 690.00 | 6,90,000 | 690.00 |

(ii) Reconciliation of no. of preference shares outstanding at the beginning and at the end of the year

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|--------|----------------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| 0.0001% Compulsorily Convertible Preference Shares outstanding at the beginning of the year | 1,62,859 | 162.86 | 1,62,859 | 162.86 |
| 0.0001% Compulsorily Convertible Preference Shares outstanding at the end of the year | 1,62,859 | 162.86 | 1,62,859 | 162.86 |

(b) (i) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity share having face value of Rs.100/- each. Each shareholder is entitled to one vote per share held. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the General Meeting. The above shareholding represent the legal ownership of shares.

In the event of liquidation of the Holding Company, the equity shareholders shall be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Equity Shares held by OrbiMed Asia II Mauritius FDI Investments Limited (Formerly known as OrbiMed Asia II Mauritius FDI Investments Limited) in the Holding Company carry certain protective rights under the terms of the Shareholders Agreement.

(ii) Rights, preferences and restrictions attached to 0.0001% Compulsorily Convertible Preference Shares

Each 0.0001% Compulsorily Convertible Preference Shares has a face value of Rs 100/- and are convertible into 1(One) Equity Share of Rs 100 each at such time as required but mandatorily convertible after 19 years. The preference shares carry a dividend of 0.0001% per annum on the face value to be paid out of profits of the Holding Company. The preference shares were issued on 27 March 2017.

(c) (i) Details of Equity Shares held by each Shareholder holding more than 5% of the Holding Company :

| Name of Shareholder | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|---------------|----------------------|---------------|
| | No. of Shares held | % of holding | No. of Shares held | % of holding |
| Kishan Kumar Kejriwal | 76,945 | 11.15% | 76,945 | 11.15% |
| Dr. Somnath Chatterjee | 66,000 | 9.57% | 66,000 | 9.57% |
| Ritu Mittal | 1,57,769 | 22.87% | 1,57,769 | 22.87% |
| Satish Verma | 1,33,689 | 19.38% | 1,33,689 | 19.38% |
| Tinni Investment Limited | 38,512 | 5.58% | 38,512 | 5.58% |
| OrbiMed Asia II Mauritius Limited (Formerly known as OrbiMed Asia II Mauritius FDI Investments Limited) | 1,34,587 | 19.51% | 1,34,587 | 19.51% |
| Total | 6,07,502 | 88.06% | 6,07,502 | 88.06% |

(ii) Details of 0.0001% Compulsorily Convertible Preference Shares held by each Shareholder holding more than 5% of the Holding Company :

| Shareholders Name | As at 31-Mar-2023 | | As at 31-Mar-2022 | |
|---|--------------------|----------------|--------------------|----------------|
| | No. of Shares held | % of holding | No. of Shares held | % of holding |
| OrbiMed Asia II Mauritius Limited (Formerly known as OrbiMed Asia II Mauritius FDI Investments Limited) | 1,62,859 | 100.00% | 1,62,859 | 100.00% |
| Total | 1,62,859 | 100.00% | 1,62,859 | 100.00% |

(d) Disclosure of shareholding of promoters

| Shareholders Name | As at 31-Mar-2023 | | As at 31-Mar-2022 | |
|------------------------|--------------------|---------------|--------------------|---------------|
| | No. of Shares held | % of holding | No. of Shares held | % of holding |
| Kishan Kumar Kejriwal | 76,945 | 11.15% | 76,945 | 11.15% |
| Dr. Somnath Chatterjee | 66,000 | 9.57% | 66,000 | 9.57% |
| Ritu Mittal | 1,57,769 | 22.87% | 1,57,769 | 22.87% |
| Satish Verma | 1,33,689 | 19.38% | 1,33,689 | 19.38% |
| Total | 4,34,403 | 62.97% | 4,34,403 | 62.97% |

(e) Disclosure of % of change in shareholding of promoters

| Shareholders Name | As at 31-Mar-2023 | | As at 31-Mar-2022 | |
|-----------------------|--------------------|-----------------------------|--------------------|-----------------------------|
| | No. of Shares held | % of Change in Shareholding | No. of Shares held | % of Change in Shareholding |
| Dr Somnath Chatterjee | - | - | 16,024 | 2.32% |
| Ritu Mittal | - | - | 36,108 | 5.23% |
| Satish Verma | - | - | (25,586) | (3.70%) |

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4 Reserves and Surplus

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Securities Premium Account | | |
| Balances at end of the year | 4,837.09 | 4,837.09 |
| Surplus in Statement of Profit and Loss : | | |
| Balances at beginning of the year | 9,307.37 | 6,932.40 |
| Add : Profit for the Year | 1,026.53 | 2,374.97 |
| Less: Dividend to Preference Share holders | (0.00) | (0.00) |
| | 10,333.90 | 9,307.37 |
| Total | 15,170.99 | 14,144.46 |

5 Long-Term Borrowings

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Secured | | |
| Term Loan for Medical Equipment's: (Refer note 5.1 below) | | |
| From Banks | 777.69 | 1,104.52 |
| Car Loans: (Refer note 5.2 below) | | |
| From Banks | 26.45 | 19.24 |
| From a Financial Institution | 2.29 | 15.19 |
| Working Capital Term Loan: | | |
| From Banks (Refer note 5.3 below) | 34.99 | 89.18 |
| Total | 841.42 | 1,228.13 |

5.1 Details of rate of interest, repayment and securities with respect to term loans for Medical Equipment's

The aforesaid term loans are secured against the hypothecation over Medical Equipment's against which such loans have been taken and Personal Guarantee of Directors. Such loans are repayable in equal monthly instalment over a period varying from 36 months to 68 months along with interest in the range of 6.90% to 9.80% p.a.

5.2 Details of rate of interest, repayment and securities with respect to Car Loans

The aforesaid term loans are secured against the hypothecation over Vehicle's against which such loans have been taken. Such loans are repayable in equal monthly instalment over a period of 36 months along with interest in the range of 7.30% to 9.75% p.a.

5.3 Details of rate of interest, repayment and securities with respect to Working Capital Term Loan

The aforesaid working capital term loan is secured and is repayable in equal monthly instalment over a period of 48 months along with interest of 8.25% p.a.

6 Deferred Tax Liabilities (Net) - Non-Current

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred Tax Liability | | |
| Temporary differences in carrying cost of PPE and Intangibles assets between books of accounts and tax purposes | 872.73 | 1,062.88 |
| Gross deferred tax liability | 872.73 | 1,062.88 |
| Deferred Tax Asset | | |
| Expenses allowable on payment basis | 41.10 | 47.55 |
| Provision for Employee Benefits | 12.73 | 10.62 |
| Gross deferred tax asset | 53.83 | 58.17 |
| Net Deferred Tax Liabilities | 818.90 | 1,004.71 |

7 Long-Term Provisions

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------|-------------------------|-------------------------|
| Provision for employee benefits | | |
| Gratuity (Refer Note 29) | - | 1.05 |
| Defined Benefit - Leave | 42.70 | 30.09 |
| Total | 42.70 | 31.14 |

8 Short-Term Borrowings

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Secured - Current maturities of Long Term Borrowings (Refer Note 5) | | |
| Term Loan for Medical Equipment's: | | |
| From Banks | 485.62 | 608.93 |
| Car Loans: | | |
| From Banks | 5.65 | 2.69 |
| From a Financial Institution | 12.90 | 11.56 |
| Working Capital Term Loan: | | |
| From Banks | 54.97 | 50.63 |
| Total | 559.14 | 673.81 |

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| 9 Trade payables | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2023 | As at March 31, 2022 |
| At amortised cost | | |
| Total outstanding dues of micro enterprises and small enterprises | 370.85 | 222.51 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,080.05 | 1,165.44 |
| Total | 1,450.90 | 1,387.95 |

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

9.1 Information in terms of Section 22 of Micro, Small and Medium enterprises Development Act, 2006(MSMED) are given below:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year: | | |
| (i) Principal amount due remaining unpaid | 370.85 | 222.51 |
| (ii) Interest amount due remaining unpaid | 0.04 | - |
| b) The amount of interest paid in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| c) The amount of interest due and payable for the period of delay in making payment (which has 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 | - | - |
| d) The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act. | - | - |

9.2 Trade Payables Aging Schedule

| Particulars | Outstanding as on March 31, 2023 from due date of payment | | | | | | Total |
|--|---|-----------------|--------------|--------------|-------------|-------------------|-----------------|
| | Unbilled Due | Not Due | Upto 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | 40.58 | 328.81 | 1.39 | - | 0.07 | - | 370.85 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 107.23 | 877.59 | 69.58 | 16.11 | 9.25 | 0.29 | 1,080.05 |
| Total | 147.81 | 1,206.40 | 70.97 | 16.11 | 9.32 | 0.29 | 1,450.90 |

| Particulars | Outstanding as on March 31, 2022 from due date of payment | | | | | | Total |
|--|---|---------------|---------------|--------------|-----------|-------------------|-----------------|
| | Unbilled Due | Not Due | Upto 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | - | 218.22 | 4.29 | - | - | - | 222.51 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 68.38 | 767.69 | 242.91 | 86.46 | - | - | 1,165.44 |
| Total | 68.38 | 985.91 | 247.20 | 86.46 | - | - | 1,387.95 |

10 Other Current Liabilities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Security deposit received from collection centres | 66.93 | 65.53 |
| Capital creditors | 170.45 | 23.20 |
| Advance from Customers | 12.18 | 65.87 |
| Interest accrued but not due | 6.69 | 7.37 |
| Employee Benefits Payable | 493.90 | 332.37 |
| Statutory Dues payable | 82.91 | 133.72 |
| Total Other current liabilities | 833.06 | 628.06 |

11 Short-Term Provisions

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Provision for income tax (net of advance tax amounting to Rs Nil (March 31, 2022 is Rs. 1,549.63 lacs)) | - | 114.21 |
| Provision for Dividend of Equity & Preference Shares | 0.00 | 0.00 |
| Defined Benefit - Leave | 7.87 | 6.39 |
| Total | 7.87 | 120.60 |

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12. Property, Plant & Equipment And Capital Work in Progress

| Particulars | Property, Plant and Equipment | | | | | | | | | | Capital Work in Progress | |
|--------------------------|-------------------------------|-----------|-------------------|-------------------|------------------------|----------------------|----------|-----------------|------------------|-----------|--------------------------|--|
| | Land- Freehold | Buildings | Plant & Machinery | Computer Hardware | Furniture and fixtures | Laboratory Equipment | Vehicles | Computer Server | Office Equipment | Total | | |
| Gross Block | | | | | | | | | | | | |
| As at March 31, 2021 | 79.26 | 974.67 | 1,001.35 | 651.34 | 3,499.58 | 12,358.46 | 364.47 | 60.32 | 335.23 | 19,324.68 | 0.86 | |
| Additions | - | 10.40 | 97.60 | 53.11 | 194.36 | 634.21 | 42.12 | - | 30.10 | 1,061.90 | 751.59 | |
| Disposals | - | - | 6.27 | - | - | 340.24 | 29.80 | - | - | 376.30 | - | |
| Transfer | - | - | 19.25 | 27.12 | 446.98 | 133.88 | - | - | 1.70 | 628.94 | (628.94) | |
| As at March 31, 2022 | 79.26 | 985.07 | 1,111.93 | 731.57 | 4,140.92 | 12,786.31 | 376.79 | 60.32 | 367.03 | 20,639.20 | 123.51 | |
| Additions | - | - | 35.03 | 22.85 | 147.28 | 866.88 | 21.31 | - | 34.12 | 1,127.47 | 360.35 | |
| Disposals | - | - | 129.16 | 37.93 | 97.12 | 358.91 | 13.77 | 17.67 | 12.77 | 667.33 | 14.20 | |
| Transfer | - | - | 6.61 | 0.84 | 221.17 | 1.77 | - | - | 0.19 | 230.58 | (230.58) | |
| As at March 31, 2023 | 79.26 | 985.07 | 1,024.41 | 717.33 | 4,412.25 | 13,296.05 | 384.33 | 42.65 | 388.57 | 21,329.92 | 239.08 | |
| Accumulated Depreciation | - | - | - | - | - | - | - | - | - | - | - | |
| As at March 31, 2021 | - | 32.69 | 588.40 | 582.17 | 1,447.98 | 4,538.34 | 169.20 | 56.97 | 217.62 | 7,633.37 | - | |
| Charge for the year | - | 15.58 | 88.02 | 43.58 | 327.53 | 885.56 | 41.72 | 0.26 | 48.71 | 1,450.96 | - | |
| Disposals | - | - | 4.41 | - | - | 174.70 | 21.32 | - | - | 200.43 | - | |
| As at March 31, 2022 | - | 48.27 | 672.01 | 625.75 | 1,775.51 | 5,249.20 | 189.60 | 57.23 | 266.33 | 8,883.90 | - | |
| Charge for the year | - | 15.60 | 98.27 | 35.90 | 372.12 | 915.68 | 46.19 | 0.16 | 41.14 | 1,525.06 | - | |
| Disposals | - | - | 99.12 | 35.82 | 65.37 | 201.14 | 11.17 | 16.77 | 10.69 | 440.08 | - | |
| As at March 31, 2023 | - | 63.87 | 671.16 | 625.83 | 2,082.26 | 5,963.74 | 224.62 | 40.62 | 296.78 | 9,968.88 | - | |
| Net Block | | | | | | | | | | | | |
| As at March 31, 2022 | 79.26 | 936.80 | 439.92 | 105.82 | 2,365.41 | 7,537.11 | 187.18 | 3.09 | 100.70 | 11,755.30 | 123.51 | |
| As at March 31, 2023 | 79.26 | 921.20 | 353.25 | 91.50 | 2,329.99 | 7,332.31 | 159.71 | 2.03 | 91.79 | 11,361.04 | 239.08 | |

12.1 Capital Work in Progress (CWIP) ageing schedule

As at March 31, 2023

| Particulars | Amount in CWIP for the period of | | | | | Total |
|--------------|----------------------------------|-----------|-----------|-------------------|---|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | | |
| Project 1 | 47.41 | - | - | - | - | 47.41 |
| Project 2 | 191.67 | - | - | - | - | 191.67 |
| Total | 239.08 | - | - | - | - | 239.08 |

As at March 31, 2022

| Particulars | Amount in CWIP for the period of | | | | | Total |
|--------------|----------------------------------|-----------|-----------|-------------------|---|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | | |
| Project 1 | 109.31 | - | - | - | - | 109.31 |
| Project 2 | 14.20 | - | - | - | - | 14.20 |
| Total | 123.51 | - | - | - | - | 123.51 |

12.2 For assets pledge as security refer note 5.

12.3 The Group has created a first and exclusive charge by way of mortgage over its entire land and building along with hypothecation of certain medical equipments having a gross block value of Rs. 5,896.20 lacs (Previous year Rs.3,998.25 lacs) and net block of Rs. 3,785.37 lacs (Previous year Rs.2,826.16 lacs) against personal loan taken by the directors.

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Suraksha Diagnostic Private Limited

CIN:U85110WB2005PTC102265

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023

(all amounts in INR Lacs, unless stated otherwise)

13 Intangible Assets

| Particulars | Other Intangible Assets | | Intangible assets under development |
|--------------------------|-------------------------|--------|-------------------------------------|
| | Computer software | Total | |
| Gross Block | | | |
| As at March 31, 2021 | 433.45 | 433.45 | 15.05 |
| Additions | 10.57 | 10.57 | - |
| Transfers | 15.05 | 15.05 | (15.05) |
| As at March 31, 2022 | 459.07 | 459.07 | - |
| Additions | 6.81 | 6.81 | - |
| Deletion | 4.30 | 4.30 | - |
| As at March 31, 2023 | 461.58 | 461.58 | - |
| Accumulated Amortisation | | | |
| As at March 31, 2021 | 225.52 | 225.52 | - |
| Charge for the year | 58.17 | 58.17 | - |
| As at March 31, 2022 | 283.69 | 283.69 | - |
| Charge for the year | 36.53 | 36.53 | - |
| Deletion | 3.55 | 3.55 | - |
| As at March 31, 2023 | 316.67 | 316.67 | - |
| Net Block | - | - | - |
| As at March 31, 2022 | 175.38 | 175.38 | - |
| As at March 31, 2023 | 144.91 | 144.91 | - |

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14 Long-Term Loans and Advances

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Unsecured, considered good | | |
| Prepaid Rent on Medical Equipments | 128.93 | 156.79 |
| Capital Advances | 24.50 | 40.27 |
| Income Tax Refund | 32.12 | - |
| Advance Income Tax (Net of provision of Rs.357.58 Lacs (March 31, 2022 is Nil)) | 181.99 | - |
| Total | 367.54 | 197.06 |

15 Other Non-Current Assets

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Deposits with banks (Refer Note 15.1 below) | 769.34 | 4,744.61 |
| Security Deposits | 830.72 | 745.20 |
| Other Advances (Refer Note 30) | 150.00 | 150.00 |
| Total | 1,750.06 | 5,639.81 |

15.1 Bank deposits of INR. 442.86 Lacs (Previous year Rs.444.71 Lacs) has been pledged by way of security for loan granted to the Company or bank guarantee given, which are not encashable within next year.

16 Inventories

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| At cost or net realisable value, whichever is lower | | |
| Consumable Stores | 673.45 | 622.53 |
| Total | 673.45 | 622.53 |

17 Trade Receivables

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| At amortised cost | | |
| - Trade Receivables considered good - Secured | - | - |
| - Trade Receivables considered good - Unsecured | 557.72 | 756.70 |
| - Trade Receivables - considered doubtful - Unsecured | 163.29 | 163.29 |
| | 721.01 | 919.99 |
| Less: Provision for doubtful debts | 163.29 | 163.29 |
| Total Trade receivables | 557.72 | 756.70 |
| Trade receivables include debts due by: | | |
| Related Parties (Refer note 31) | 136.36 | 133.63 |
| Others | 421.36 | 623.07 |
| Total Trade receivables | 557.72 | 756.70 |

| Particulars | Outstanding from due date of payment as on March 31, 2023 | | | | | | Total |
|---------------------------|---|--------------------|-------------------|-------------|--------------|-------------------|---------------|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | | |
| - considered good | 6.93 | 455.58 | 71.60 | 0.03 | 23.58 | - | 557.72 |
| - considered doubtful | - | - | - | 35.92 | 67.76 | 59.61 | 163.29 |
| | 6.93 | 455.58 | 71.60 | 35.95 | 91.34 | 59.61 | 721.02 |
| Less: Considered doubtful | - | - | - | (35.92) | (67.76) | (59.61) | (163.29) |
| | 6.93 | 455.58 | 71.60 | 0.03 | 23.58 | 0.00 | 557.72 |
| Total | 6.93 | 455.58 | 71.60 | 0.03 | 23.58 | 0.00 | 557.72 |

| Particulars | Outstanding from due date of payment as on March 31, 2022 | | | | | | Total |
|---------------------------|---|--------------------|-------------------|--------------|-------------|-------------------|---------------|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | | |
| - considered good | 226.69 | 307.00 | 194.53 | 19.20 | 9.28 | - | 756.70 |
| - considered doubtful | - | - | - | 124.02 | 39.27 | - | 163.29 |
| | 226.69 | 307.00 | 194.53 | 143.22 | 48.55 | - | 919.99 |
| Less: Considered doubtful | - | - | - | (124.02) | (39.27) | - | (163.29) |
| | 226.69 | 307.00 | 194.53 | 19.20 | 9.28 | - | 756.70 |
| Total | 226.69 | 307.00 | 194.53 | 19.20 | 9.28 | - | 756.70 |

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023
(all amounts in INR Lacs, unless stated otherwise)

18 Cash and Bank Balances

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Cash and Cash Equivalents | | |
| Cash in hand (including in digital form) | 56.33 | 44.41 |
| In Current Accounts | 159.94 | 213.06 |
| Other Bank Balances | | |
| Deposits with maturity period more than three months and less than twelve months (including accrued interest) | 5,022.12 | 25.00 |
| Total | 5,238.39 | 282.47 |

19 Short-Term Loans and Advances

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|-------------------------|-------------------------|
| Prepaid expenses | 146.10 | 312.49 |
| Prepaid Rent on Medical Equipments | 27.86 | 27.86 |
| Other loans and advances | | |
| <i>Advance to Suppliers</i> | | |
| - Related Parties (Refer Note 31) | - | 3.45 |
| - Others | 71.07 | 168.23 |
| <i>Other Advances</i> | | |
| - Others | 0.62 | 6.93 |
| Total | 245.65 | 518.96 |

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023

(all amounts in INR Lacs, unless stated otherwise)

20 Revenue From Operations:

| Particulars | For the year ended | |
|----------------------------|--------------------|------------------|
| | 31-Mar-23 | 31-Mar-22 |
| Sale of services | | |
| Diagnostic Service Charges | 19,065.85 | 22,319.25 |
| Total Income | 19,065.85 | 22,319.25 |

21 Other Income

| Particulars | For the year ended | |
|---|--------------------|---------------|
| | 31-Mar-23 | 31-Mar-22 |
| <u>Interest income on</u> | | |
| Fixed Deposit | 253.69 | 163.40 |
| Income Tax Refund | - | 17.73 |
| Profit on sale of Investments | - | 0.29 |
| Dividend on Mutual Fund | - | 0.64 |
| Liabilities/Provisions no longer required, written back | 15.73 | 37.07 |
| Miscellaneous Income | 10.09 | 11.21 |
| Total | 279.51 | 230.34 |

22 Cost of Materials Consumed

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | 31-Mar-23 | 31-Mar-22 |
| Inventory at the beginning of the year | 622.53 | 444.50 |
| Add: Purchases | 2,734.10 | 6,218.52 |
| | 3,356.63 | 6,663.02 |
| Less: Inventory at the closing of the year | 673.45 | 622.53 |
| Total | 2,683.18 | 6,040.49 |

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023

(all amounts in INR Lacs, unless stated otherwise)

23 Employee Benefits Expense

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | 31-Mar-23 | 31-Mar-22 |
| Salaries, wages and bonus (Inclusive of Director's Remuneration) | 3,770.68 | 3,152.56 |
| Contribution to provident and other funds (Refer Note 29) | 218.54 | 188.13 |
| Gratuity expenses (Refer Note 29) | 41.88 | 31.48 |
| Staff welfare expenses | 56.19 | 41.77 |
| Total | 4,087.29 | 3,413.94 |

24 Finance Cost

| Particulars | For the year ended | |
|--------------------------------------|--------------------|---------------|
| | 31-Mar-23 | 31-Mar-22 |
| Interest expense : | | |
| on medical equipment / car term loan | 118.00 | 130.99 |
| on working capital term loan | 10.96 | 21.57 |
| Bank charges | 50.02 | 57.81 |
| Total | 178.98 | 210.37 |

25 Depreciation and amortisation expense

| Particulars | For the year ended | |
|---|--------------------|-----------------|
| | 31-Mar-23 | 31-Mar-22 |
| Depreciation on Property, Plant & Equipment (Refer note 12) | 1,525.75 | 1,450.96 |
| Amortisation of intangible Assets (Refer note 13) | 35.96 | 58.17 |
| Total | 1,561.71 | 1,509.13 |

26 Other Expenses

| Particulars | For the year ended | |
|---|--------------------|-----------------|
| | 31-Mar-23 | 31-Mar-22 |
| Doctors Professional Fees | 2,744.27 | 2,097.33 |
| Sample Testing, Collection and Logistic Charges | 241.60 | 263.35 |
| Commission to Collection Centers | 189.97 | 146.72 |
| Repairs and Maintenance: | | |
| Machinery (including medical equipment) | 824.18 | 839.75 |
| Building | 27.98 | 49.71 |
| Others | 119.13 | 78.92 |
| Donation | - | 1.35 |
| Office Administration Expenses | 587.06 | 479.80 |
| Advertisement and sales promotion | 443.96 | 282.19 |
| Electricity Charges | 642.75 | 522.30 |
| Expense relating to Acquisition and Valuations | - | 88.45 |
| Travelling and Conveyance Charges | 150.15 | 195.64 |
| Telephone and Internet Charges | 91.98 | 91.95 |
| Insurance Charges | 98.82 | 79.96 |
| Information Technology Expenses | 499.31 | 301.47 |
| CSR Expense | 40.42 | 33.72 |
| Rent (Refer Note 32) | 1,990.37 | 1,793.46 |
| Rent on Medical Equipments (Refer Note 32) | 228.82 | 68.39 |
| Rates and Taxes | 58.00 | 73.43 |
| Auditors Remuneration (Refer Note 28) | 18.00 | 14.30 |
| Legal and Professional Fees | 207.47 | 169.73 |
| Membership and subscription expenses | 77.69 | 83.82 |
| Freight and Other Charges | 18.44 | 18.54 |
| Loss on disposal of property, plant and equipment | 160.23 | 141.48 |
| Miscellaneous Expenses | 141.91 | 140.66 |
| Total | 9,602.51 | 8,056.42 |

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023
(all amounts in INR Lacs, unless stated otherwise)

27 Earning Per Share

| Particulars | For the year ended | |
|--|--------------------|-----------|
| | 31-Mar-23 | 31-Mar-22 |
| Net Profit attributable to Shareholders | 1,026.53 | 2,374.97 |
| Basic Earnings per Share | | |
| Weighted average number of ordinary shares (No. in lacs) | 6.90 | 6.90 |
| Nominal value of ordinary share (in Rs. Per share) | 100.00 | 100.00 |
| Basic earnings for ordinary shares (in Rs. per share) | 148.77 | 344.20 |
| Diluted earnings per share | | |
| Weighted average number of ordinary shares | 6.90 | 6.90 |
| Weighted average number of ordinary shares on account of Convertible Preference Shares | 1.63 | 1.63 |
| | 8.53 | 8.53 |
| Nominal value of ordinary share (in Rs. Per share) | 100.00 | 100.00 |
| Diluted earnings for ordinary shares (in Rs. per share) | 120.36 | 278.47 |

28 Payment to Auditors

| Particulars | For the year ended | |
|-------------------------|--------------------|--------------|
| | 31-Mar-23 | 31-Mar-22 |
| As Statutory Auditors : | | |
| Audit Fees | 18.00 | 12.50 |
| In Other Capacity: | | |
| Other Services | - | 1.80 |
| Total | 18.00 | 14.30 |

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29 Employee benefits

In accordance with the Accounting Standard-15 'Employee Benefits', the Group has calculated the various benefits provided to employees as under:

A. Defined contribution plans

During the period the Group has recognized the following amounts in the Statement of profit and loss:-

| Particulars | For the year ended 31 | For the year ended 31 |
|--|-----------------------|-----------------------|
| | March 2023 | March 2022 |
| Employers Contribution to Provident fund | 165.58 | 142.67 |
| Employers Contribution to Employee State Insurance | 52.96 | 45.46 |
| | 218.54 | 188.13 |

B. Defined benefit plans**Gratuity plan**

The Group has taken up a Group Gratuity Scheme with Life Insurance Corporation of India (LIC), 'Suraksha Diagnostic Private Limited Employees' Gratuity Fund' to meet its obligation towards gratuity.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

(i) Actuarial assumptions:

The principle assumptions used in determining gratuity obligations for Group's plan are shown below

| Particulars | For the year ended 31 | For the year ended 31 |
|--|-----------------------|--|
| | March 2023 | March 2022 |
| Discount rate (per annum) | 7.25% | 7.30% |
| Expected Rate of increase in compensation levels | 5.25% | 5.25% |
| Expected rate of return on plan assets | 7.01% | 6.75% |
| Mortality Rate | LIC(2006-08) ultimate | Indian Assured Lives Mortality (2012-2014) |
| Retirement age | 60 Years | 60 Years |
| Average attained age | 33.75 Years | 33.32 Years |
| Withdrawal Rate (based on age %(age)) | | |
| - Upto 30 years | 3% | 3% |
| - 31 to 44 years | 2% | 2% |
| - 44 years & above | 1% | 1% |

The estimates of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ii) Amount to be recognized in Balance Sheet:

| Particulars | As at | As at |
|--|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Present value of defined benefit obligations | (4.19) | 1.05 |
| Net (asset) / liability arising from defined benefit obligations | (4.19) | 1.05 |

(iii) Expenses recognized in Statement of Profit and Loss:

| Particulars | For the year ended 31 | For the year ended 31 |
|--|-----------------------|-----------------------|
| | March 2023 | March 2022 |
| Current service cost | 46.05 | 41.19 |
| Interest cost | 18.99 | 17.30 |
| Expected return on plan assets | (19.71) | (17.96) |
| Net actuarial loss/(gain) recognized during the year | (3.45) | (9.05) |
| Total charge to Statement of Profit and Loss | 41.88 | 31.48 |

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023
(all amounts in INR Lacs, unless stated otherwise)

(iv) Changes in the present value of the defined benefit obligation in respect of Gratuity are as follows:

| Particulars | As at | As at |
|---|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Present value obligation as at the beginning of the year | 264.68 | 250.76 |
| Interest cost | 18.99 | 17.30 |
| Current service cost | 46.05 | 41.18 |
| Benefits paid | (37.61) | (30.39) |
| Actuarial gain on obligations (including Rs. 2.70 lacs pertaining to earlier years) | (6.15) | (14.17) |
| Present value obligation as at the end of the year | <u>285.96</u> | <u>264.68</u> |

(v) Changes in the fair value of plan assets:

| Particulars | As at | As at |
|--------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Balance at the beginning of the year | 263.63 | 262.51 |
| Expected Return on plan assets | 19.71 | 17.96 |
| Actuarial loss/(gain) on plan assets | - | (5.12) |
| Actual Group Contributions | 44.42 | 18.67 |
| Benefits paid | (37.61) | (30.39) |
| Balance at the end of the year | <u>290.15</u> | <u>263.63</u> |
| Actual Return on Plan Assets | <u>19.71</u> | <u>12.83</u> |

(vi) Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets

| Particulars | As at | As at |
|---------------------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Present value of obligation | 285.96 | 264.68 |
| Less: Fair Value of Plan assets | 290.15 | 263.63 |
| Net (assets)/liability | (4.19) | 1.05 |
| Experience (gain)/loss on PBO | - | (0.75) |
| Experience gain/(loss) on plan assets | - | (5.12) |

(vii) Major Category of Plan Assets as a % of total Plan Assets

| | As at | As at |
|--------------------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Funds managed by insurer | 100% | 100% |

(viii) The Group has contributed Rs.49.30 lacs (Previous year Rs.44.42 lacs) towards gratuity for next financial year.

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023

(all amounts in INR Lacs, unless stated otherwise)

30 Contingencies & Commitments

(To the extent not provided for)

i. Contingent Liability

| Particulars | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|-------------------|-------------------|
| Claims against the Holding Company not acknowledged as debt (Refer note (a) below) | 150.00 | 150.00 |
| Corporate Guarantee to financial institution against loan taken by directors (Refer note (b) below) | 4,464.16 | 2,842.22 |
| | <u>4,614.16</u> | <u>2,992.22</u> |

(a) The Holding Company had given an earnest money deposit by way bank guarantee of Rs. 150.00 lacs (Previous Year - Rs. 150.00 lacs) to Bihar State Health Society in 2014-15 which had been encashed by the other party on grounds of non-compliance of the term of agreement. The Holding Company has filled writ petition before the Patna High Court which is pending disposal. The Holding Company is hopeful of succeeding in appeal and as such does not expect an significant liability to materialise.

(b) The Holding Company has given guarantee of Rs. 6,700 lacs to the extent of security provided to Kotak Mahindra Investments Ltd. against personal loan taken by Directors of the Company for Rs. 6,700 lacs (Previous Year: Rs. 6,700 lacs). The Holding Company has created a first and exclusive charge by way of mortgage over its entire land and building along with hypothecation of certain medical equipment owned by the Group amounting to Rs 3,931.99 lacs (Previous Year: Rs. 2,826.16 lacs). (Refer note 36).

ii. Commitments

| Particulars | As at 31-Mar-2023 | As at 31-Mar-2022 |
|--|-------------------|-------------------|
| Estimated amount of contract remaining to be executed on capital account | 162.33 | 94.10 |
| Less: Capital Advance | 24.50 | 40.27 |
| Total | <u>137.83</u> | <u>53.83</u> |

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023
(all amounts in INR Lacs, unless stated otherwise)

31 Related party Disclosures as per AS 18

(A) List of Related parties :

| <u>Name of Related Party</u> | <u>Description of relationship</u> |
|--|--|
| Dr Somnath Chatterjee (Director) | Key Managerial Person (KMP) (control exists) |
| Ritu Mittal (Director) | Key Managerial Person (KMP) (control exists) |
| Suraksha Diagnostic & Eye Centre Private Limited | Enterprises owned or significantly influenced by KMP |
| Oscar Enclave Private Limited | Enterprises owned or significantly influenced by KMP |
| R. A. Enterprises | Enterprises owned or significantly influenced by KMP |
| Kejriwal Constructions | Enterprises owned or significantly influenced by KMP |
| Sahayta Clinic LLP | Enterprises owned or significantly influenced by KMP |
| Suresh Enterprise | Enterprises owned or significantly influenced by KMP |
| Kejriwal Electronics Ltd | Enterprises owned or significantly influenced by KMP |
| Calcutta Cosmopolitan Club Ltd | Enterprises owned or significantly influenced by KMP |
| Pragati Kejriwal | Relative of KMP |
| Raghavi Mittal | Relative of KMP |
| Dr Aparajita Chatterjee | Relative of KMP |
| Dr Tandra Chatterjee | Relative of KMP |

(B) Details of transactions with Related Parties

| Particulars | For the period ended | |
|--|----------------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| Sale of Services | | |
| Suraksha Diagnostic & Eye Centre Private Limited | 343.37 | 244.10 |
| Total | 343.37 | 244.10 |
| Purchase of Consumables | | |
| R. A. Enterprise | 1,472.30 | 1,536.06 |
| Kejriwal Electronics Ltd | 0.58 | - |
| Total | 1,472.88 | 1,536.06 |
| Rent Expense | | |
| Oscar Enclave Private Limited | 447.10 | 444.79 |
| Kejriwal Constructions | 62.19 | 62.19 |
| Suresh Enterprise | 34.27 | 31.15 |
| Total | 543.56 | 538.13 |
| Sales Promotion expenses to relative of KMP | | |
| Raghavi Mittal | 0.50 | 0.90 |
| Total | 0.50 | 0.90 |
| Professional Fees to relative of KMP | | |
| Pragati Kejriwal | 9.00 | 6.00 |
| Dr Aparajita Chatterjee | 5.13 | - |
| Dr Tandra Chatterjee | 0.25 | - |
| Total | 14.38 | 6.00 |
| Guarantee Fee | | |
| Dr. Somnath Chatterjee | - | 2.75 |
| Ritu Mittal | - | 5.50 |
| Total | - | 8.25 |
| Commission Paid | | |
| Sahayta Clinic LLP | 0.63 | 0.17 |
| Total | 0.63 | 0.17 |
| Sponsorship Charges | | |
| Calcutta Cosmopolitan Club Ltd | 1.18 | - |
| Total | 1.18 | - |

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Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2023
(all amounts in INR Lacs, unless stated otherwise)

(C) Receivable from & Payable to Related Parties are set out below:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Receivable from: | | |
| Suraksha Diagnostic & Eye Centre Private Limited (Trade Receivable) | 136.36 | 125.38 |
| Oscar Enclave Private Limited (Security Deposit) | 114.60 | 114.60 |
| Suraksha Diagnostic & Eye Centre Private Limited (Advances to Suppliers) | - | 3.44 |
| Sahayata Clinic LLP (Advances from Suppliers) | - | 0.01 |
| Ritu Mittal (Other Receivable) | - | 5.50 |
| Somnath Chatterjee (Other Receivable) | - | 2.75 |
| Total | 250.96 | 251.68 |
| Payable for: | | |
| R.A. Enterprise (Trade Payable) | 279.58 | 238.59 |
| Oscar Enclave Pvt Ltd (Trade Payable) | 34.25 | 33.92 |
| Kejriwal Constructions (Trade Payable) | 4.74 | 4.74 |
| Kejriwal Electronics Ltd (Trade Payable) | 0.02 | - |
| Suresh Enterprise (Trade Payable) | 2.61 | 2.38 |
| Suraksha Diagnostic & Eye Centre Private Limited (Trade Payable) | 0.72 | - |
| Dr Aparajita Chatterjee | 0.00 | - |
| Pragati Kejriwal | 0.68 | - |
| Ritu Mittal | 7.88 | 7.88 |
| Somnath Chatterjee | 7.88 | 7.88 |
| Sahayata Clinic LLP | 0.10 | - |
| Total | 338.46 | 295.39 |

(D) Remuneration of Key Management Personnel

The remuneration of key management personnel and a relative of key management personnel of the Company are set out below in aggregate for each of the categories specified in AS 18 'Related party disclosures'.

| Particulars | For the year ended | |
|--------------------------------------|--------------------|---------------|
| | 31 March 2023 | 31 March 2022 |
| Salaries and Allowances | | |
| Dr. Somnath Chatterjee | 144.00 | 144.00 |
| Ritu Mittal | 144.00 | 144.00 |
| Total Director's Remuneration | 288.00 | 288.00 |

Notes:

- There are no provisions for doubtful debts/ advances or amounts written off or written back for debts due from/ debts to related parties.
- Remuneration excludes provision for gratuity and leave as the incremental liabilities has been accounted for as the Group as a whole.

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023

(all amounts in INR Lacs, unless stated otherwise)

32 Leases

Operating lease: Group as lessee

The Group's significant leasing arrangements are in respect of operating leases for -

- a. Premises (office, diagnostic centre's etc.) - These leasing arrangements are cancellable in nature as per the terms of individual agreement and are usually renewable on mutual consent basis. The aggregate lease rentals payable are charged as 'Rent' under Note 26.
- b. Medical Equipment – The Group has entered into leasing agreement for certain medical equipments with a vendor. These non cancellable leases are for a period of 7 years. The aggregate lease rentals payable are charged as 'Rent on medical equipment' under Note 26.

Future minimum rentals payments under non-cancellable operating leases are as follows:

| | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Within one year | 27.86 | 27.86 |
| After one year but not more than five years | 111.43 | 111.43 |
| More than five years | 17.50 | 45.35 |
| Total | 156.79 | 184.64 |

33 Segment Reporting

(A) Information about primary segments

The primary segment of the Group is business segment which comprises of carrying on the business of diagnostic centers for providing various pathology and radiology services. The entire operations are governed by the same set of risks and returns and hence is considered as representing a single business segment.

As the Group operates in a single primary business segment, no separate segment information has been disclosed.

(B) Segment information for secondary segment reporting (by geographical segment)

The Group's entire revenue comes from customers located in India, therefore no separate geographical segments have been presented.

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Suraksha Diagnostic Private Limited

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Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023

(all amounts in Rs. unless stated otherwise)

34 Additional information in respect of Net Asset and Profit/loss of each entity within the Group and their proportionate share

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|---|------------------|---|------------------|
| | Net Asset, i.e. Total Asset minus total Liabilities | | Net Asset, i.e. Total Asset minus total Liabilities | |
| | % of consolidated net assets | Amount | % of consolidated net assets | Amount |
| Parent | | | | |
| Suraksha Diagnostic Private Limited | 100.73% | 16,136.16 | 100.03% | 15,001.41 |
| Subsidiary | | | | |
| Suraksha Speciality LLP | 0.31% | 49.83 | 0.10% | 15.07 |
| Suraksha Salvia LLP | (0.35%) | (56.24) | 0.08% | 11.34 |
| | 100.69% | 16,129.76 | 100.20% | 15,027.82 |
| Intercompany elimination and consolidation adjustments | (0.69%) | (110.00) | (0.20%) | (30.50) |
| Total | 100.00% | 16,019.76 | 100.00% | 14,997.32 |

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|-------------------------------------|------------------------------|-----------------|------------------------------|-----------------|
| | Share in Profit or Loss | | Share in Profit or Loss | |
| | % of consolidated net assets | Amount | % of consolidated net assets | Amount |
| Parent | | | | |
| Suraksha Diagnostic Private Limited | 110.98% | 1,138.83 | 100.01% | 2,375.10 |
| Subsidiary | | | | |
| Suraksha Speciality LLP | 0.00 | 0.30 | (0.00%) | (0.02) |
| Suraksha Salvia LLP | (10.98%) | (112.59) | (0.01%) | (0.11) |
| | 100.00% | 1,026.54 | 100.00% | 2,374.97 |

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35 Additional regulator information required by Schedule III

- a. The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.
- b. The Group does not have any transactions or balances with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.
- c. The Group has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- d. The Group does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- e. The Group does not have any charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.
- f. The Group has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- g. The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- h. The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
- i. Utilisation of Borrowed funds and share premium:
The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(ii) (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- j. Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:
(i) Guarantee has been given by the Group as at March 31, 2023 (Refer note 30)

36 As stated in note 32 (i) (b), the Holding Company has given guarantee and created charge on certain of its items of Property, Plant and Equipment as security for a personal loan of Rs. 6,700 lacs taken by the wholetime directors of the Holding Company. While this transaction occurred in the year ended 31st March 2022, it was based on a bonafide belief to be in compliance with section 185 of the Companies Act 2013 considering a legal opinion obtained by the lender. During the current year, as pointed out by the statutory auditors, the Holding Company acknowledges that the transaction of giving gurantee and security for a personal loan taken by the wholetime directors of the Holding Company is a contravention of section 185 of the Companies Act 2013. Subsequent to the year end, the Holding Company has, on a suo moto basis, made a compounding application for the same. Adjudication of the said application is awaited. Accordingly, the impact on the consolidated financial statements, if any, will be given upon adjudication of the compounding application.

37 Subsequent to the year end, the Holding Company and the statutory audit team received multiple emails alleging financial fraud, liquidation of monies etc., by the Company/directors over the period from 2020 to 2023. Allegations covered advancing amounts to an employee for inappropriate purposes, payments to certain vendors without receipt of related goods/services, payment made to doctors and debit of personal expenses as sales promotion expenses. Despite the fact that Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 regarding vigil mechanism is not applicable to the Holding Company, the Holding Company appointed an Independent Chartered Accountant firm to investigate the allegations. The said firm has submitted its report covering allegations made up to the date of the report and concluding that no instances of fraudulent transactions were noted though has highlighted certain violations of the Goods and Service Tax Act 2017, which the Company is in the process of addressing. The Holding Company has filed an FIR with the Bidhannagar cyber crime Police station relating to defamatory emails and investigation is in progress.

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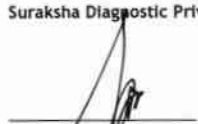
Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2023
(all amounts in Rs. unless stated otherwise)

38 Previous year figures

Previous year's figures have been regrouped/rearranged wherever considered necessary.

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for and on behalf of the Board of Directors of
Suraksha Diagnostic Private Limited


Dr Somnath Chatterjee
Director
DIN: 00137075


Ritu Mittal
Director
DIN: 00165886

Place: Kolkata
Date: 31/01/2024

