



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF PATHKIND DIAGNOSTICS PRIVATE LIMITED**

#### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **PATHKIND DIAGNOSTICS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies, notes to accounts and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss and its Cash flow for the year ended on that date.

#### **Basis for Opinion**

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, in accordance accounting principles generally accepted in India. This responsibility also includes maintenance of adequate



accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A). As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - d) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - e) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - f) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company does not have any pending litigations which would impact its financial statements.
  - b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - c) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
  - d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 (“Ultimate Beneficiaries”) by or on behalf of the Company or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has not declared/ paid any dividend during the year.

(C) In our opinion, according to information, explanations given to us, the provision of Section 197 of the Act and the rules there under are not applicable to the Company as it is a private Company.

For **Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
(Firm’s Registration No. 007895N)

  
**Mohit Gupta**  
Partner

(Membership No. 528337)  
UDIN: 22528337AUAKAO2008



Place: New Delhi  
Date: September 22, 2022

**Annexure A to the Independent Auditor's report on the financial statements of Pathkind Diagnostics Private Limited for the year ended 31 March 2022**

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has granted loans or advances as follows –

Particulars	Amount (in INR lacs)
Aggregate amount granted during the year	
- Others (Phlebos)	INR 0.13 lacs
- Others (employees)	INR 6.05 lacs
Balance outstanding as at balance sheet date	
- Others (Phlebos)	INR 2.13 lacs
- Others (employees)	INR 304.73 lacs

Apart from above, during the year, the Company has not provided any other advances in the nature of loans, stood guaranteed and provided securities to Companies, firms, limited liability partnerships or other parties and hence not commented upon.

(b) The Company has not made any investment, provided any guarantee or given any security during the year. However, the Company has granted loans and the terms of above loans are not prejudicial to the Company's interest.

(c) In respect of phlebo loans granted, the schedule of repayment has been stipulated in agreement and the receipts are regular and in respect of loans granted to its employees, the loans are interest free, and schedule of repayment are stipulated and receipts are regular.

(d) There are no amounts of loans granted which are overdue for a period of more than ninety days.



- (e) There were no loans, which have fallen, due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties during the year other than loan to employees as mentioned in clause 3(a) above. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us, {pursuant to receiving the approvals for rescheduling its loan(s) from the lender(s),} the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.



- (x)(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has made preferential allotment by way of issue of equity shares in lieu of conversion of optionally convertible non-cumulative redeemable preference shares, compulsorily convertible preference shares and compulsorily convertible debentures. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, no amounts were raised as the preferential allotment was made by way of conversion of outstanding borrowings on the date of conversion.
- (xi)(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to INR 1,197.91 lacs in the current financial year but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) According to the information and explanations given to us, although the Company fulfilled the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

For **Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
(Firm's Registration No. 007895N)

*M Gupta*

**Mohit Gupta**  
Partner  
(Membership No. 528337)  
UDIN: 22528337AUAKAO2008



Place: New Delhi  
Date: September 22, 2022



**Annexure B to the Independent Auditor's Report on the financial statements of Pathkind Diagnostics Private Limited for the year ended 31 March 2022**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

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

**Opinion**

We have audited the internal financial controls with reference to financial statements of Pathkind Diagnostics Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

For **Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
(Firm's Registration No. 007895N)

  
**Mohit Gupta**  
Partner  
(Membership No. 528337)  
UDIN: 22528337AUAKAO2008



Place: New Delhi  
Date: September 22, 2022

**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Balance Sheet as at March 31, 2022

All amounts are in INR Lacs unless otherwise stated

	Notes	As at March 31, 2022	As at March 31, 2021
<b>Equity and liabilities</b>			
<b>Shareholder's funds</b>			
Share capital	3	1,373.64	6,872.80
Reserves and surplus	4	4,552.68	(5,357.48)
		<b>5,926.32</b>	<b>1,515.32</b>
<b>Non-current liabilities</b>			
Borrowings	5	750.00	6,485.46
Other liabilities	6	277.33	220.95
Provisions	7	244.34	159.67
		<b>1,271.67</b>	<b>6,866.08</b>
<b>Current liabilities</b>			
Trade payables	8		
- total outstanding dues of micro enterprises and small enterprises		300.70	484.91
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,537.53	559.63
Other liabilities	6	1,749.86	1,257.04
Provisions	7	92.47	92.31
		<b>3,680.56</b>	<b>2,393.89</b>
<b>Total</b>		<b>10,878.55</b>	<b>10,775.29</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant & Equipment			
Property, Plant & Equipment	9	4,895.44	3,477.13
Intangible assets	10	122.75	130.42
Capital Work in Progress		619.01	108.99
Loans and advances	11	367.42	416.34
Deferred tax Assets (net)	12	361.66	142.70
Other assets	13	692.74	397.63
		<b>7,059.02</b>	<b>4,673.22</b>
<b>Current assets</b>			
Inventories	14	2,084.67	1,189.81
Trade receivables	15	935.70	2,269.94
Cash and cash equivalents	16	292.82	2,136.26
Loans and advances	11	396.83	449.53
Other assets	13	109.51	56.54
		<b>3,819.53</b>	<b>6,102.08</b>
<b>Total</b>		<b>10,878.55</b>	<b>10,775.29</b>

The accompanying notes are an integral part of these financial statements 1-35

As per our report of even date

For Bhagi Bhardwaj Gaur &amp; Co.

Chartered Accountants

F.R No.: 007895N

*Mohit Gupta*  
 Mohit Gupta  
 Partner  
 M. No. 528337

Place: New Delhi  
 Date: 22.09.2022



For and on behalf of the Board of Directors

*Vidhavya Juneja*  
 Vidhavya Juneja  
 (Wholesale Director)  
 DIN:-06754247

*Sanjeev Vashistha*  
 Sanjeev Vashistha  
 (Managing Director & CEO)  
 DIN:-01457971



*Drabhat Singh*  
 Drabhat Singh  
 (Company Secretary)  
 M. No:- FCS-8724

**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Statement of profit and loss for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
( I ) Revenue from operations	17	27,452.69	24,566.01
Less: Trade Discount:		5,368.32	3,699.45
Net Revenue from Operations		<u>22,084.37</u>	<u>20,866.56</u>
( II ) Other income	18	64.58	16.66
<b>( III ) Total Income</b>		<u>22,148.95</u>	<u>20,883.22</u>
<b>( IV ) Expenses</b>			
Material Consumed	19	6,835.17	6,701.05
Employee benefit expenses	20	6,770.98	4,665.35
Depreciation and amortisation expense	21	747.65	613.33
Finance costs	22	32.74	6.80
Fees to Collection Centres/ Channels		4,395.95	2,519.46
Other expenses	23	5,408.97	4,659.30
<b>( V ) Total Expenses</b>		<u>24,191.46</u>	<u>19,165.29</u>
<b>( VI ) Profit before tax ( III - V )</b>		<u>(2,042.51)</u>	<u>1,717.93</u>
<b>( VII ) Tax expenses:</b>			
Current tax		-	-
Deferred tax	12	(218.96)	(114.30)
<b>Total tax expense</b>		<u>(218.96)</u>	<u>(114.30)</u>
<b>( VIII ) Profit for the year ( VI - VII )</b>		<u>(1,823.55)</u>	<u>1,832.23</u>

**EBITDA**

Earnings per equity share [nominal value of share Rs. 10 (March 31, 2021: Rs. 10)]	24		
Basic (in INR)		(17.90)	18.32
Diluted (in INR)		(17.90)	16.43

The accompanying notes are an integral part of these financial statements 1-35

As per our report of even date

**For Bhagi Bhardwaj Gaur & Co.**

Chartered Accountants

F.R No.: 007895N

*M Gupta*  
Mohit Gupta  
Partner  
M. No. 528337

Place: New Delhi  
Date: 22.09.2022



For and on behalf of the Board of Directors

*K Juneja*  
Klavya Juneja  
(Wholtime Director)  
DIN:-06754247

*S Vashistha*  
Sanjeev Vashistha  
(Managing Director & CEO)  
DIN:-01457971



*P Singh*  
Prabhat Singh  
(Company Secretary)  
M. No:- FCS-8724

*M Gupta*

**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Cash flow statement for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

	Year ended 31 March 2022	Year ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Net profit before tax	(2,042.51)	1,717.93
<b>Non - cash adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation / amortisation	747.65	613.33
Profit/Loss on sale/ disposal of fixed assets (net)	52.68	-
Bad debts Written off	-	657.83
Employee stock compensation expense	26.46	-
Provision for doubtful debts and advances	70.01	443.12
Interest expense	5.82	6.80
Interest income	(64.10)	(16.66)
Foreign Exchange Fluctuation loss (Net)	0.48	0.19
<b>Operating profit before working capital changes</b>	<b>(1,203.51)</b>	<b>3,422.54</b>
<b>Movements in working capital:</b>		
(Increase)/ Decrease in trade receivables	1,264.23	(3,205.35)
(Increase)/Decrease in inventories	(894.85)	(733.44)
(Increase)/ Decrease in loans & advances - current	52.70	(29.05)
(Increase)/ Decrease in loans & advances - Non current	30.74	-
(Increase)/ Decrease in other non current assets	-	2.00
(Increase)/ Decrease in other current assets	(52.97)	-
Increase/ (Decrease) in trade payables	793.70	761.47
Increase/ (Decrease) in provisions - current	0.16	21.15
Increase/ (Decrease) in provisions - non current	57.60	57.14
Increase/ (Decrease) in other non current liability	56.38	90.80
Increase/ (Decrease) in other current liability	628.29	133.18
<b>Cash generated from operations</b>	<b>732.46</b>	<b>520.44</b>
Direct taxes paid (net of refunds)	(295.11)	(333.95)
<b>Net cash flow from operating activities</b>	<b>437.35</b>	<b>186.49</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment, including movement in CWIP and capital advances	(2,838.77)	(948.51)
Loans and advances	-	(63.54)
Interest received	64.10	15.26
<b>Net cash (used in) investing activities</b>	<b>(2,774.67)</b>	<b>(996.79)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issuance of share capital (Right Issue)	255.11	-
Proceeds from issuance of preference share capital	-	1,725.24
Proceeds from long-term borrowings	500.41	870.61
Redemption of OCPS	(238.15)	-
Interest paid	(22.13)	(1.04)
Share issue expense	(1.36)	(4.04)
<b>Net cash (used in) financing activities</b>	<b>493.88</b>	<b>2,590.77</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(1,843.44)</b>	<b>1,780.47</b>
<b>Cash and cash equivalents acquired pursuant to purchase of business</b>		
Cash and cash equivalents at the beginning of the year	2,136.26	355.79
Cash and cash equivalents at the end of the year	<b>292.82</b>	<b>2,136.26</b>



<b>Components of cash and cash equivalents</b>		
Cash on hand	30.98	37.70
Balance with scheduled banks:		
-in current accounts	194.70	777.64
-Deposits with original maturity of less than three months on fixed deposit accounts	67.15	1,320.92
<b>Total cash and cash equivalents (refer note 16)</b>	<b>292.82</b>	<b>2,136.26</b>
Less: Fixed deposits not considered as cash equivalents	-	-
<b>Cash &amp; Cash Equivalents in Cash Flow Statement:</b>	<b>292.82</b>	<b>2,136.26</b>

The accompanying notes are an integral part of these financial statements 1-35

**For Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
F.R No.: 007895N

*Mohit Gupta*  
Mohit Gupta  
Partner  
M. No. 528337

Place: New Delhi  
Date: 22.09.2022



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

*Eklavya Juneja*  
Eklavya Juneja  
(Whole time Director)  
DIN:-06754247



*Sanjeev Vashistha*  
Sanjeev Vashistha  
(Managing Director & CEO)  
DIN:-01457971

*Prabhat Singh*  
Prabhat Singh  
(Company Secretary)  
M. No:- FCS-8724

*Prabhat Singh*

Pathkind Diagnostics Private Limited  
Notes to financial statements for the year ending March 31, 2022

**Note 1: Background**

Pathkind Diagnostics Private limited was incorporated on 6<sup>th</sup> October 2016 to engage in the business of running laboratories for carrying out pathological investigations of various branches of Bio-chemistry, Haematology, Histopathology, Microbiology, Electrophoresis, Immuno-Chemistry, Immunology, Cytology, other pathological and radiological investigations.

**Note 2: Significant Accounting Policies**

**2.1 Statement of Compliance**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (accounts) Rules, 2014.

**2.2 Recent accounting pronouncement**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division I, which relate to companies whose financial statements are required to comply with Companies (Accounting Standards) Rules 2006 are:

**Balance Sheet:**

- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables and capital work-in-progress.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, relationship with struck off companies, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Compliance with number of layers of companies as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.
- Disclosures of following ratios:-
  - a. Current Ratio
  - b. Debt-Equity Ratio
  - c. Debt Service Coverage Ratio
  - d. Return on Equity Ratio
  - e. Inventory turnover ratio
  - f. Trade Receivables turnover ratio



## Pathkind Diagnostics Private Limited

### Notes to financial statements for the year ending March 31, 2022

g. Trade payables turnover ratio

h. Net capital turnover ratio

i. Net profit ratio

j. Return on Capital employed

k. Return on investment

#### Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income (reconciliation between Income tax and Companies Act) and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

#### 2.3 Basis of Preparation

The financial statements have been prepared on an accrual basis and going concern basis under the historical cost convention.

These financial statements are presented in Indian Rupee Lacs (INR), which is the functional currency of the country.

#### 2.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria is also met before revenue is recognized:

##### i) Pathology services

###### -Laboratory Income

Revenue comprises of amount gross billed in respect of tests conducted and is recognized at and when the samples are registered for the purpose of conducting the tests.

##### ii) Sale of goods

Sales are considered, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

##### iii) Income from other services

Revenues from other services are recognized when services are rendered and related costs are incurred.

#### 2.5 Accounting of reagent rental equipment

The Company has entered into agreements with certain suppliers for purchase of reagent. As part of the agreement, the Company has the right to use equipment supplied by the suppliers free of charge subject to purchase of minimum committed quantities of reagents. The cost of reagents which includes the cost of rental of the equipment is recorded as cost of material consumed.

#### 2.6 Lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.



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A handwritten signature in blue ink, appearing to be "S. Gaur".





*Where the Company is lessee*

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.

## 2.7 Retirement and other employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due.

The Company operates a defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company 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.

## 2.8 Taxation

Income tax expenses comprises current tax (i.e. the amount of the tax for the period determined in accordance with the income-tax Law) and deferred tax charge or credit (reflecting the tax effects of timing difference between accounting income & taxable income for the period). Income tax liability is ascertained on the basis of profit computed in accordance with the provisions of Income-Tax Act, 1961.

Deferred tax charge or credit reflect the tax effects of timing difference between accounting income & taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future. However, in case there is an unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually (as case may be) to be realized. Deferred Tax Assets on unused tax losses are recognized only to the extent of net Deferred tax liabilities.

## 2.9 Property, Plant & Equipment

### (i) Tangible Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.



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Pathkind Diagnostics Private Limited  
Notes to financial statements for the year ending March 31, 2022

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Fixed Assets under construction, advance paid towards the acquisition of fixed assets and cost of assets not put to use if any before the year end are disclosed as Capital Work-in-Progress.

**(ii) Intangible Assets**

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

**(iii) Depreciation**

- I. Leasehold Improvements are depreciated over the useful life of the assets or the unexpired lease period, whichever is lower.
- II. Depreciation on all other fixed assets is provided using the Straight Line Method at the rates computed based on the estimated useful life of all assets as prescribed under the Schedule II of the Companies act, 2013 and estimated by the management.

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

Tangible Assets	Useful Life (in years)
Leasehold Improvements	6 - 9
Plant & Machinery	13
Office Equipments	5
Other Equipments	3
Computers / Servers	3 / 5
Furnitures & Fixtures	10
Vehicles - Cars	8
Low Value Assets	1

- III. Intangible assets are amortized using the straight line method over their useful lives as under:

Intangible Assets	Useful Life (in years)
Computer Software	4



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Pathkind Diagnostics Private Limited  
Notes to financial statements for the year ending March 31, 2022

### 2.10 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

### 2.11 Impairment

The Carrying Value of the assets are reviewed at each Balance sheet date to determine whether there is any indication of Impairment. If any, such indication exists, the recoverable amount of the assets is estimated. For assets that are not available for use, the recoverable amount is estimated at each Balance Sheet date. The recoverable is the highest of net selling price and its value in use. An Impairment loss is recognized whenever the carrying amount of an assets or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the Profit & loss account. An Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An Impairment loss is reversed only to the extent that the carrying amount of assets does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

### 2.12 Inventories

Inventories comprise of reagents, chemicals, surgical and laboratory supplies and stores and others are valued at lower of cost and net realizable value. Cost is determined on moving weighted average basis.

### 2.13 Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### 2.14 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

### 2.15 Cash and cash equivalents (for purpose of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



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**(i) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.16 Foreign Exchange Transaction**

Foreign currency transactions and balances

(i) Initial recognition

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

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured 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 measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company'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 arise.

**2.17 Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**2.18 Segment reporting policy**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



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**2.19 Operating cycle**

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

**2.20 Use of estimates**

The preparation of financial statements in conformity with Indian GAAP which requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



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**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

3. Share capital	March 31, 2022	March 31, 2021
<b>Authorised</b>		
2,00,00,000 equity shares of Rs. 10 each (Previous year 1,00,00,000 equity shares of Rs. 10 each)	2,000.00	1,000.00
5,30,00,000 Preference share of Rs. 10 each (Previous year 6,30,00,000 Preference share of Rs. 10 each )	5,300.00	6,300.00
	<b>7,300.00</b>	<b>7,300.00</b>
<b>Issued, subscribed &amp; fully paid-up</b>		
1,37,36,353 equity shares of Rs. 10 each (Previous year 1,00,00,000 equity shares of Rs. 10 each)	1,373.64	1,000.00
Preference shares (Previous year 5,87,28,000 Preference share of Rs. 10 each )	-	5,872.80
	<b>1,373.64</b>	<b>6,872.80</b>

Notes :

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

*Equity shares*

	March 31, 2022		March 31, 2021	
	No. of shares	Amount	No. of Shares	Amount
At the beginning of the year	1,00,00,000	1,000.00	1,00,00,000	1,000
Issued during the year	37,36,353	373.64	-	-
<b>Outstanding at the end of the year</b>	<b>1,37,36,353</b>	<b>1,373.64</b>	<b>1,00,00,000</b>	<b>1,000</b>

*Preference shares*

	March 31, 2022		March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	5,87,28,000	5,872.80	5,35,00,000	5,350.00
Issued during the year	-	-	52,28,000	522.80
Converted to Equity Shares during the period (refer note h below)	5,63,46,530	5,634.65	-	-
Redeemed during the year (refer note i below)	23,81,470	238.15	-	-
<b>Outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>5,87,28,000</b>	<b>5,872.80</b>

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

(c) Terms/ rights attached to preference shares

The Company had two class of preference shares having par value of Rs. 10 per share carrying a coupon rate of 0.1% per annum. The Company had issued 25,00,000 Optionally Convertible Preference Shares and 5,62,28,000 Compulsory Convertible Preference Shares as approved by the Shareholders in their respective meetings. The OCPS were redeemable/convertible and CCPS were only convertible into equity shares as per terms and conditions mentioned in the Securities Subscription Agreement dated 18th January, 2017. The CCPS carried preference to any dividend and/ or distribution payable on equity shares and any other class of preference shares (including optionally convertible preference shares) but only after payment of interest on debentures. Preference shares would not participate in the surplus funds, surplus assets and surplus profits on winding up, which may remain after entire capital has been repaid.

(d) Detail of shareholders holding more than 5% shares in the Company

Name of the shareholder	March 31, 2022		March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
<i>Equity shares of Rs. 10/- each fully paid</i>				
Mr. Arjun Juneja	30,47,487	22.19%	35,02,200	35.02%
Mr. Rajeev Juneja	57,29,379	41.71%	29,63,400	29.63%
Mr. Sheetal Arora	34,13,225	24.85%	25,14,400	25.14%
Mr. Sanjeev Vashishta	14,07,732	10.25%	10,00,000	10.00%
	<b>1,35,97,823</b>	<b>98.99%</b>	<b>99,80,000</b>	<b>99.79%</b>



**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

*Optionally Convertible, non-participating preference shares of Rs. 10/- each fully paid*  
Beyondtime Consultants Private Limited

		25,00,000	4.26%
	0.00%	25,00,000	4.26%

*Compulsory Convertible, non-participating preference shares of Rs. 10/- each fully paid*  
Mr Arjun Juneja  
Mr Rajeev Juneja  
Mr Sheetal Arora

		1,00,57,000	17.12%
		3,04,27,160	51.81%
		1,57,43,840	26.81%
		5,62,28,000	95.74%

**(c) Details of shares held by the promoters at the end of the year**

Name of the shareholder	March 31, 2022			March 31, 2021		
	No. of shares	% holding	% Change	No. of shares	% holding	% Change
<i>Equity shares of Rs. 10/- each fully paid</i>						
Mr Arjun Juneja	30,47,487	22.19%	-12.98%	35,02,200	35.02%	-
Mr Rajeev Juneja	57,29,379	41.71%	93.34%	29,63,400	29.63%	-
Mr Sheetal Arora	34,13,225	24.85%	35.75%	25,14,400	25.14%	-
Mr Sanjeev Vashishta	14,07,732	10.25%	40.77%	10,00,000	10.00%	-
Beyondtime Consultants Private Limited	1,18,530	0.86%	100.00%	-	-	-
	<b>1,37,16,353</b>	<b>99.85%</b>	<b>37.44%</b>	<b>99,80,000</b>	<b>99.79%</b>	-

**f) Increase in authorised equity share capital:**

During the year, the Company has in aggregate increased its authorised Equity Share Capital by INR 1,00,00,00,000 lacs divided into 1,00,00,00,000 equity shares of INR 10/- each by way of creation of equity shares in lieu of cancelled preference shares, as under:-  
42,72,000 equity shares vide Shareholders' approval at Extraordinary General Meeting (EGM) held on January 31, 2022, further increased by 57,28,000 equity shares on February 25, 2022.

**g) Decrease in authorised preference share capital**

The company has cancelled 42,72,000 unissued preference shares vide Shareholders' approval at Extraordinary General Meeting (EGM) held on January 31, 2022. Further, cancelled 57,28,000 unissued preference shares vide Shareholders' approval at Extraordinary General Meeting (EGM) held on February 25, 2022.

h) During the year, the company has allotted 5,40,574, 5,26,194 and 1,18,530 equity shares of INR 10/- in lieu of conversion of 5,62,28,000 Compulsorily Convertible Preference Shares (CCPS), 6,21,91,500 Compulsorily Convertible Debentures (CCDs) and 1,18,530 Optionally Convertible Preference Shares (OCPS) respectively, vide approval at Board Meeting held on February 21, 2022, as per the terms and conditions of Security Subscription Agreement (SSA) dated January 18, 2017. The Company has also allotted 25,51,055 equity shares of INR 10/- each at par under right issue vide approval at Board Meeting held on March 23, 2022.

i) During the year, the Company has redeemed 23,81,470 Optionally Convertible Preference Shares of INR 10/- each, at par, vide approval at Board Meeting held on March 23, 2022.



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**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

4. Reserves and surplus	March 31, 2022	March 31, 2021
<b>Securities premium account</b>		
Balance at the beginning of the year	4,874.93	3,140.77
Addition on issue of Preference Shares	-	1,202.44
Addition on issue of Debentures	-	535.76
Addition on issue of Equity Shares in lieu of Conversion of CCPs & CCDs (refer Note 3 (h))	11,735.27	-
Less: Share issue expenses	1.36	4.04
<b>Balance at the end of year</b>	<b>16,608.84</b>	<b>4,874.93</b>
<b>Surplus in the statement of profit and loss</b>		
Balance as per the last financial statements	(10,232.41)	(12,063.01)
Profit/(loss) for the year	(1,823.55)	1,832.23
Less: Income Tax Adjustments	0.20	1.63
<b>Net surplus in the statement of profit and loss</b>	<b>(12,056.16)</b>	<b>(10,232.41)</b>
	<b>4,552.68</b>	<b>(5,357.48)</b>

5. Borrowings	March 31, 2022	March 31, 2021
<b>Non Current</b>		
<b>Unsecured Borrowings from related parties</b>		
0.1% Optionally Convertible Debentures ( Previous year 25,00,000 debenture of Rs 10 each)	-	250.93
0.1% Compulsory Convertible Debentures ( Previous year 6,21,91,500 debenture of Rs 10 each)	-	6,234.53
Borrowings from related party (refer note (c) below)	750.00	-
	<b>750.00</b>	<b>6,485.46</b>

Notes

(a) During the year, the company has redeemed 25,00,000 Optionally Convertible Debentures (OCDs) having a face value of INR 10/- each, at par

(b) During the year, the company has allotted 5,26,194 equity shares of INR 10/- in lieu of conversion of 6,21,91,500 Compulsorily Convertible Debentures (CCDs), vide approval at Board Meeting held on February 21, 2022, as per the terms and conditions of Security Subscription Agreement (SSA) dated January 18, 2017.

(c) Borrowings from related parties are Interest Free loan given by directors of the Company.

(d) Borrowings from Optionally Convertible Debentures includes interest accrued of INR Nil as at March 31, 2022, INR 92,561/- as at March 31, 2021.

(e) Borrowings from Compulsory Convertible Debentures includes interest accrued of INR Nil as at March 31, 2022 INR 15,38,332/- as at March 31, 2021.

6. Other Liabilities	March 31, 2022	March 31, 2021
<b>Non Current</b>		
Lease equalisation reserve	277.33	220.95
	<b>277.33</b>	<b>220.95</b>
<b>Current</b>		
Trade deposits	232.35	152.65
Advances from customers	482.91	433.62
Statutory dues payable	170.97	120.65
Other Expense Payables	863.63	414.65
Payable for Property, Plant & Equipment	-	135.47
	<b>1,749.86</b>	<b>1,257.04</b>

7. Provisions	March 31, 2022	March 31, 2021
<b>Non Current</b>		
<b>Provision for employee benefits</b>		
Provision for Employee Stock Option Plan / Scheme	26.46	-
Provision for gratuity (refer note 25)	217.88	159.67
	<b>244.34</b>	<b>159.67</b>
<b>Current</b>		
Provision for leave encashment	92.47	92.31
	<b>92.47</b>	<b>92.31</b>



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**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Laacs unless otherwise stated

	March 31, 2022	March 31, 2021
<b>8. Trade Payables</b>		
Current		
- total outstanding dues of micro and small enterprises	300.70	484.91
- total outstanding dues of creditors other than micro and small enterprises	1537.53	559.63
<b>Total</b>	<b>1838.23</b>	<b>1044.53</b>

As at March 2022		Current*					
Particulars	Unbilled Payabl	Payables Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	106.33	-	-	-	-	106.33
(ii) Disputed dues -- MSME	-	2.90	187.13	4.34	-	-	194.37
(iii) Others	-	871.66	628.63	12.53	-	-	1,512.81
(iv) Disputed dues Others	-	23.54	1.13	-	-	0.04	24.72
<b>Total</b>	-	<b>1,004.44</b>	<b>816.89</b>	<b>16.87</b>	-	<b>0.04</b>	<b>1,838.23</b>

As at March 2021		Current*					
Particulars	Unbilled Payabl	Payables Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	263.03	220.78	0.00	0.00	0.00	483.81
(ii) Disputed dues -- MSME	-	0.00	0.00	1.10	0.00	0.00	1.10
(iii) Others	-	326.89	227.62	4.51	0.13	0.48	559.63
(iv) Disputed dues Others	-	-	-	-	-	-	-
<b>Total</b>	-	<b>589.92</b>	<b>448.40</b>	<b>5.61</b>	<b>0.13</b>	<b>0.48</b>	<b>1,044.53</b>



**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

**9. Tangible Assets**

	March 31, 2022	March 31, 2021
Leasehold Improvements	1,225.74	1,112.94
Laboratory Equipments	2,177.48	1,322.97
Office Equipments	281.67	195.23
Other Equipments	9.87	8.49
Plant & machinery	460.15	341.22
Furniture & fixtures	425.98	307.29
Computers	281.95	147.29
Vehicles	32.60	41.70
	<b>4,895.44</b>	<b>3,477.13</b>

Particulars	Leasehold Improvements	Laboratory Equipments	Office Equipments	Other Equipments	Plant & machinery	Furniture & fixtures	Computers	Vehicles	Total
<b>Opening As at 31.03.2020</b>	1,586.02	1,194.88	312.25	78.34	305.28	372.31	357.40	76.63	4,283.11
Additions	102.55	445.94	63.72	5.05	96.36	60.14	83.42		857.16
Deletions *									
<b>As at 31.03.2021</b>	1,688.56	1,640.82	375.96	83.39	401.64	432.44	440.82	76.63	5,140.27
Additions	309.40	1,124.60	174.41	6.73	148.72	170.35	244.08		2,178.29
Deletions *		86.64							86.64
<b>As at 31.03.2022</b>	<b>1,997.97</b>	<b>2,678.78</b>	<b>550.37</b>	<b>90.13</b>	<b>550.35</b>	<b>602.79</b>	<b>684.90</b>	<b>76.63</b>	<b>7,231.93</b>

**Accumulated Depreciation**

<b>Opening As at 31.03.2020</b>	405.00	207.95	117.86	62.55	38.87	84.43	205.34	25.83	1,147.83
Depreciation for the year	170.62	109.91	62.88	12.35	21.54	40.72	88.20	9.10	515.22
Deletions / Adjustments									
<b>As at 31.03.2021</b>	575.62	317.85	180.74	74.90	60.41	125.15	293.53	34.93	1,661.14
Depreciation for the year	196.61	186.38	87.89	5.36	29.66	51.67	109.41	9.10	676.09
Deletions / Adjustments		2.94	-0.07		-0.12	0.01	-0.01		2.71
<b>As at 31.03.2022</b>	<b>772.23</b>	<b>501.30</b>	<b>268.70</b>	<b>80.26</b>	<b>90.20</b>	<b>176.81</b>	<b>402.95</b>	<b>44.03</b>	<b>2,336.53</b>

**Net block**

<b>As at 31.03.2021</b>	1,112.94	1,322.97	195.23	8.49	341.22	307.29	147.29	41.70	3,477.13
<b>As at 31.03.2022</b>	1,225.74	2,177.48	281.67	9.87	460.15	425.98	281.95	52.60	4,895.44



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**Pathkind Diagnostics Private Limited**

**CIN No- U74999DL2016PTC306874**

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

10. Intangible Assets	31 March 2022	31 March 2021
Computer Software	122.75	130.42
	<b>122.75</b>	<b>130.42</b>
<b>Particulars</b>	<b>Computer Software</b>	
<i>Gross block</i>		
Opening as at 01.04.2020	435.18	
Additions	45.85	
Deletions		
As at 31.03.2021	481.03	
Additions	63.90	
Deletions		
As at 31.03.2022	544.93	
<i>Accumulated Depreciation</i>		
Opening as at 01.04.2020	252.59	
Depreciation for the year	98.02	
Deletions / Adjustments		
As at 31.03.2021	350.61	
Depreciation for the year	71.56	
Deletions / Adjustments	0.01	
As at 31.03.2022	422.18	
<i>Net block</i>		
As at 31.03.2021	130.42	
As at 31.03.2022	122.75	

11. Loans and advances	March 31, 2022	March 31, 2021
<b>Non Current</b>		
Capital advances	32.32	50.51
Trade / security deposits	335.10	365.83
<b>Total</b>	<b>367.42</b>	<b>416.34</b>
<b>Current</b>		
Advance to suppliers	56.47	63.61
Advances to employees	38.23	57.69
Loan and advances to related parties (refer note 30)	300.00	300.00
Loans and advances to Others	2.13	28.23
<b>Total</b>	<b>396.83</b>	<b>449.53</b>

Note : Loans and advances due by directors or other officers of the company

Directors 300.00 300.00



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**Pathkind Diagnostics Private Limited**  
**CIN No- U74999DL2016PTC306874**  
**Notes to financial statements for the year ended March 31, 2022**  
**All amounts are in INR Laacs unless otherwise stated**

<b>12. Deferred Tax Assets (net)</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	
<b>Deferred tax balances</b>			
Deferred tax liabilities	(42.16)	(40.93)	
Deferred tax assets	403.82	183.63	
<b>Net Deferred tax asset / (liabilities)</b>	<b>361.66</b>	<b>142.70</b>	
<b>Year ended 31 March 2022</b>	<b>Opening Balance</b>	<b>Recognised in Profit or loss</b>	<b>Closing balance</b>
<b>Deferred tax liabilities in relation to</b>			
Property, plant and equipment	(40.93)	(1.23)	(42.16)
	<u>(40.93)</u>	<u>(1.23)</u>	<u>(42.16)</u>
<b>Deferred tax assets in relation to</b>			
Provision for employee benefits	127.27	76.90	204.16
Provision for doubtful debts	-	129.86	129.86
Unclaimed Preliminary expenses	0.75	(0.76)	-
Lease equalisation reserve	55.61	14.19	69.80
	<u>183.63</u>	<u>220.19</u>	<u>403.82</u>
<b>Deferred tax liabilities (net)</b>	<b>142.70</b>	<b>218.96</b>	<b>361.66</b>
<b>Year ended 31 March 2021</b>	<b>Opening Balance</b>	<b>Recognised in Profit or loss</b>	<b>Closing balance</b>
<b>Deferred tax liabilities in relation to</b>			
Property, plant and equipment	(52.16)	11.23	(40.93)
	<u>(52.16)</u>	<u>11.23</u>	<u>(40.93)</u>
<b>Deferred tax assets in relation to</b>			
Provision for employee benefits	45.16	82.11	127.27
Unclaimed Preliminary expenses	1.56	(0.81)	0.75
Lease equalisation reserve	33.84	21.77	55.61
	<u>80.56</u>	<u>103.07</u>	<u>183.63</u>
<b>Net Deferred tax Assets / (liabilities)</b>	<b>28.40</b>	<b>114.30</b>	<b>142.70</b>

Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

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**Pathkind Diagnostics Private Limited**

**CIN No- U74999DL2016PTC306874**

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

13. Other assets	March 31, 2022	March 31, 2021
<b>Non Current</b>		
Income tax (net of provision)	692.74	397.63
<b>Total</b>	<b>692.74</b>	<b>397.63</b>
<b>Current</b>		
Balances with government authorities	12.90	9.21
Prepaid expenses	96.61	47.33
<b>Total</b>	<b>109.51</b>	<b>56.54</b>

14. Inventories	March 31, 2022	March 31, 2021
<b>In hand</b>		
Reagents, chemicals, surgicals and laboratory supplies	2,084.67	1,189.81
	<b>2,084.67</b>	<b>1,189.81</b>

15. Trade receivables	March 31, 2022	March 31, 2021
Unsecured, considered good	935.70	2,269.94
Unsecured, considered doubtful	515.97	445.97
Trade receivables (refer Annexure II)	1,451.67	2,715.91
Less: Provision for Doubtful Debts	(515.97)	(445.97)
<b>Total</b>	<b>935.70</b>	<b>2,269.94</b>
<b>Movement for Doubtful Debts</b>		
Balance at the beginning of the Year	445.97	6.61
Transferred during the period	70.00	1,100.94
Written off during the period	-	(661.58)
<b>Balance at the end of the Year</b>	<b>515.97</b>	<b>445.97</b>

As at March 2022 Particulars	Unbilled Dues	Not Due	Current					Total
			Outstanding for following periods from due date of Receipts					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	227.63	366.87	117.10	217.07	4.15	2.88	935.70
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	0.10	22.48	491.96	1.25	0.19	515.97
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-0.10	-22.48	-491.96	-1.25	-0.19	-515.97
<b>Total</b>	-	<b>227.63</b>	<b>366.87</b>	<b>117.10</b>	<b>217.07</b>	<b>4.15</b>	<b>2.88</b>	<b>935.70</b>



As at March 2021 Particulars	Current							
	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	283.62	1,799.15	173.04	10.06	4.08	-	2,269.94
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	445.97	-	-	-	-	445.97
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-445.97	-	-	-	-	-445.97
<b>Total</b>		<b>283.62</b>	<b>1,799.15</b>	<b>173.04</b>	<b>10.06</b>	<b>4.08</b>		<b>2,269.94</b>

#### 16. Cash and bank balances

March 31, 2022

March 31, 2021

##### Cash and cash equivalents

Balance with banks in current accounts	194.70	777.64
Cash on hand	30.98	37.70
Deposits with bank (original maturity less than 3 months) (see note 1 below)	67.15	1,320.92
	<b>292.82</b>	<b>2,136.26</b>

Note:

1. Includes interest accrued amounting to INR 2.12 Lacs as at March 31, 2022, and INR 0.92 Lacs as at March 31, 2021.



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**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

	March 31, 2022	March 31, 2021
<b>17. Revenue from operations</b>		
Sale of pathology services	27,053.25	24,327.08
Other operating Revenue	399.44	238.93
	<u>27,452.69</u>	<u>24,566.01</u>
Less: Trade Discount	5,368.32	3,699.45
<b>Revenue from operations (net)</b>	<u>22,084.37</u>	<u>20,866.56</u>
<b>18. Other income</b>		
Interest Income on Bank Deposits	57.18	7.80
Interest on Income Tax Refund	4.98	1.39
Interest on Phlebo Loan	1.94	7.47
Net gain on foreign exchange fluctuation	0.48	-
	<u>64.58</u>	<u>16.66</u>
<b>19. Cost of Materials Consumed</b>		
Inventories at the beginning of the year	1,189.81	456.37
Add : Purchases during the year	7,730.03	7,434.49
	8,919.84	7,890.86
Less : Inventories at the end of the year	2,084.67	1,189.81
<b>Cost of Materials Consumed</b>	<u>6,835.17</u>	<u>6,701.05</u>
<b>20. Employee benefits expenses</b>		
Salaries, wages and bonus	6,263.30	4,312.83
Contribution to provident and other funds	308.56	219.20
Gratuity expense (refer note 25)	58.20	57.14
Expense on Employee Stock Option Plan/ Scheme	26.46	-
Staff welfare expenses	114.46	76.18
	<u>6,770.98</u>	<u>4,665.35</u>
<b>21. Depreciation and amortisation expense</b>		
Depreciation of tangible assets	676.09	515.31
Amortisation of intangible assets	71.56	98.02
	<u>747.65</u>	<u>613.33</u>
<b>22. Finance costs</b>		
Interest expense on:		
- borrowings	5.82	6.40
- bank charges	26.92	0.40
	<u>32.74</u>	<u>6.80</u>



**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

<b>23. Other expenses</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Electricity and water charges	257.96	173.90
Rent	932.25	622.10
Rates and taxes	5.49	44.87
Insurance	42.83	64.48
Repairs and maintenance		
- Building	51.34	44.67
- Plant and machinery	86.26	63.46
- Others	132.65	85.22
Advertisement and sales promotion	693.15	257.23
Travelling and conveyance	674.07	535.56
Vehicle running and maintenance	0.94	0.33
Postage and courier	1,187.14	813.96
Communication cost	67.96	57.23
Retainership Fess to technical consultants	293.20	225.39
Printing and stationary	175.21	119.96
Legal and professional charges	118.22	25.67
Cloud services and website expenses	155.53	107.35
Laboratory test charges	159.28	125.12
Payment to auditors (refer details below)	2.36	4.72
Staff hiring and training charges	100.42	39.09
Provision for doubtful debts	70.01	443.12
Bad Debts written off	-	657.83
Foreign Exchange Fluctuation loss (Net)	-	0.19
Net loss on sale of Property Plant & Equipment	52.68	-
Miscellaneous expenses	150.02	147.85
	<b>5,408.97</b>	<b>4,659.30</b>

**Payment to auditors**

As auditor:

Audit fees	1.77	1.77
Tax audit fees	0.59	0.59
GST audit fee	-	2.36
	<b>2.36</b>	<b>4.72</b>





**Pathkind Diagnostics Private Limited**

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Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

**24. Earnings per share (EPS)**

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

	March 31, 2022	March 31, 2021
Face value per Equity Share	10	10
Net Profit after tax	(1,823.55)	1,832.23
Weighted average number of equity shares outstanding during the year	1,01,89,551	1,00,00,000
<b>Basic EPS per share (in INR)</b>	<b>(17.90)</b>	<b>18.32</b>
Net Profit after tax as per statemnt of Profit and Loss attributable to Equity, Potential Equity Shares	(1,823.55)	1,837
Weighted Average number of Equity and Potential Equity Shares used as denominator of calculating Diluted EPS	1,01,89,551	1,11,78,578
<b>Diluted Earning Per Share (in INR)</b>	<b>(17.90)</b>	<b>16.43</b>

**Reconciliation of Net Profit After Tax**

Net profit after tax as per statement of Profit & Loss	(1,823.55)	1,832.23
Add: Savings on Interest expense on Optionally / Compulsorily Convertible Preference Shares / Debentures (Net of taxes)	-	4.60
Net Profit After Tax attributable to Equity and Potential Equity Shareholders	(1,823.55)	1,836.83

**Reconciliation of Weighted average Number of Shares**

Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	1,01,89,551	1,00,00,000
Total Weighted Average Potential Equity Shares	-	11,78,578
Weighted Average number of Equity and Potential Equity Shares used as denominator for calculating Diluted EPS	1,01,89,551	1,11,78,578

Note: There were no Potential Equity Shares outstanding as at March 31, 2022.



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**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

**25. Employment benefits :-****(a) Defined contribution plan**

The Company makes Provident Fund and Employees State Insurance Scheme contribution which are defined contribution plans. Under the scheme the company is required to contribute a specified percentage of the payroll to fund the benefits. The company has recognised Rs. 306.78 lacs (Previous year March 31, 2021 Rs. 218.08 lacs) and Rs. 31.86 lacs (Previous year March 31, 2021 Rs. 25.42 lacs) towards contribution to provident fund & employees state insurance scheme respectively in the profit & loss for the year ended March 31, 2022. The contribution payable to these plans by the company are at the rates specified in the rules of the scheme.

**(b) Defined benefit plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of six months.

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

**Statement of profit and loss**

Net employee benefit expense recognized in employee cost:

	31 March 2022	31 March 2021
Current service cost	82.83	63.49
Interest cost on benefit obligation	10.79	6.93
Net actuarial (gain) / loss recognized in the year	(35.42)	(13.28)
Net benefit expense	<b>58.20</b>	<b>57.14</b>

**Balance Sheet**

Benefit Asset / Liability

	31 March 2022	31 March 2021
Present value of defined benefit obligation	217.88	159.67
Plan (liability)	<b>217.88</b>	<b>159.67</b>

Change in present value of the defined benefit obligation are as follows:

	31 March 2022	31 March 2021
Opening defined benefit obligation	0.00	102.54
Current service cost	82.83	63.49
Interest cost	10.79	6.93
Actuarial (gain) / loss	(35.42)	(13.28)
Closing defined benefit obligation	<b>58.21</b>	<b>159.67</b>

The principal assumptions used in determining gratuity obligations for the Company's plans are shown

	31 March 2022	31 March 2021
	(%)	(%)
Discount rate	7.26	6.76
Increase in compensation cost	9.00	9.00
Employee turnover	8.00	8.00

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



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## Pathkind Diagnostics Private Limited

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

### 26. Segment Information

#### a. Basis of Segmentation

The operation of the company are limited to one segment, viz. running laboratories for carrying out Pathological investigations of various branches of Bio-chemistry, Hematology, Histopathology, Microbiology, Electrophoresis, Immuno-chemistry, Immunology, Cytology, other pathological investigations which is considered the only reportable segment as per AS-17.

#### b. Geographical Segment

The company operates only in one country and does not have any separate identifiable geographic segment.

#### c. Major customer

No single customer has accounted for more than 10% of the company's revenue for the year ended March 31, 2022

### 27. Contingent Liabilities

The Company doesn't foresee any liability arising in future on account of any litigation/event not accounted for.

### 28. Capital & other commitments

(i) Estimated amounts of contracts remaining to be executed on capital account & not provided for is INR 24.06 lacs (previous year INR 53.02 lacs)

(ii) The Company has also entered into other commitments for purchase order of reagents and chemicals which are issued only after considering the requirements per operating cycle for sale of service. Such commitments have been entered in lieu of machineries costs and the values of such commitments is not quantifiable.

### 29. Asset taken on operating Lease

The Company has taken the offices/labs at various locations under operating lease agreements, These are generally cancelled at the option of the company & are renewed by the mutual consent on mutually agreed terms. The lease payments recognised in the profit & loss for the year ended March 31, 2022 is Rs. 912.75 Lacs (Previous year March 31, 2021 Rs.531.29 lacs)

Below is the disclosure & future minimum lease payments :-

Particulars	31-03-2022	31-03-2021
Within one year	904.19	649.92
After one year but not more than fi	3,799.17	2,843.42
More than five years	1,043.62	1,235.39



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## Pathkind Diagnostics Private Limited

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

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### 30. Related party disclosures

List of related parties and relationships with whom transactions have taken place during the year

#### i. List of related parties

Key Management Personnel (KMP)

- Mr. Rajeev Juneja
- Mr. Arjun Juneja
- Mr. Sheetal Arora
- Mr. Sanjeev Vashishta
- Mr. Eklavya Juneja
- Mr. Surendra Lunia

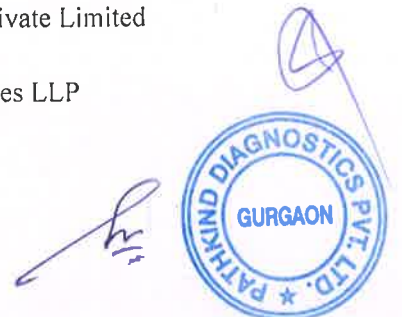
Relatives of KMP

Enterprises in which KMP exercise significant influence

- Mankind Pharma Limited
- Beyondtime Consultants Private Limited
- A S Packers
- Teen Murti Product Private Limited
- Rashii Apparels Private Limited
- J K Print Pack
- Mankind Specialities
- N S Industries
- Pharma Force Lab
- Paonta Process Equipment
- Lifestar Pharma Private Limited
- Magnet Labs Private Limited
- Copmed Pharmaceuticals Private Limited
- Mediforce Healthcare Private Limited
- Sirmour Remedies Private Limited
- Relax Pharmaceuticals Private Limited
- Vetbesta Labs
- Medipack Innovations Private Limited
- Pharma Pet
- A To Z Packers
- Mankind Biosys Pvt. Ltd.
- Star Infra Developers Pvt Ltd
- Jagdish Chand Juneja Foundation
- Acche Karam
- Mediforce Research Pvt Ltd
- Broadway Hospitality Services Pvt Ltd
- Mankind Prime Labs Private Limited
- Om Sai Pharma Pack
- Ayushi & Poonam Estates LLP



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**Pathkind Diagnostics Private Limited**

CIN No- U74999DL2016PTC306874

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

**ii. Transactions occurred during the year**

Particulars	KMP		Enterprises over which KMP exercise significant influence	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>A. Sale of services</b>				
Mankind Pharma Limited	-	-	13.68	14.33
A S Packers	-	-	0.12	0.09
J K Print Pack	-	-	1.63	1.36
Mankind Specialities	-	-	0.19	-
N S Industries	-	-	0.13	0.11
Pharma Force Lab	-	-	2.41	2.21
Paonta Process Equipment	-	-	0.05	0.04
Lifestar Pharma Private Limited	-	-	-	0.13
Magnet Labs Private Limited	-	-	1.06	0.13
Copimed Pharmaceuticals Private Limited	-	-	2.45	2.02
Mediforce Healthcare Private Limited	-	-	1.85	1.59
Sirmour Remedies Private Limited	-	-	1.55	1.34
Relax Pharmaceuticals Private Limited	-	-	1.58	1.33
Vetbesta Labs	-	-	0.57	0.46
Medipack Innovations Private Limited	-	-	0.68	0.69
Pharma Pet	-	-	0.08	0.29
A To Z Packers	-	-	0.67	0.55
Jagdish Chand Juneja Foundation	-	-	4.90	15.09
Acche Karam	-	-	0.08	0.42
Mediforce Research Pvt Ltd	-	-	0.37	-
Ayushi & Poonam Estates LLP	-	-	0.23	-
			<b>34.28</b>	<b>42.18</b>
<b>B. Purchase of goods (net)</b>				
Mankind Pharma Limited	-	-	0.29	0.31
A S Packers	-	-	403.92	188.97
Pharma Force Lab	-	-	6.86	13.29
Paonta Process Equipment	-	-	-	0.35
A TO Z Packers	-	-	11.70	6.45
			<b>422.77</b>	<b>209.37</b>
<b>C. Purchase of services</b>				
Broadway Hospitality Services Pvt Ltd	-	-	16.84	-
			<b>16.84</b>	-
<b>D. Rent expense</b>				
Mankind Biosys Pvt Ltd	-	-	195.61	182.34
			<b>195.61</b>	<b>182.34</b>
<b>E. Reimbursements made</b>				
Mankind Biosys Pvt Ltd	-	-	50.36	47.35
Mankind Pharma Ltd	-	-	-	1.96
Mr. Sanjeev Vashishta	10.05	5.32	-	-
Mr. Eklavaya Juneja	1.46	-	-	-
	<b>11.51</b>	<b>5.32</b>	<b>50.36</b>	<b>49.31</b>



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**F. Remuneration paid**

Mr. Sanjeev Vashishta	417.93	318.20	-	-
	<u>417.93</u>	<u>318.20</u>	<u>-</u>	<u>-</u>

**G. Issue of debentures**

(4,95,00,000 0.1% Compulsory Convertible Debentures)

Mr. Arjun Juneja	-	217.65	-	-
Mr. Rajeev Juneja	-	409.19	-	-
Mr. Sheetal Arora	-	243.77	-	-
	<u>-</u>	<u>870.61</u>	<u>-</u>	<u>-</u>

**H. Interest paid on CCDs (Net)**

Beyondtime Consultants Pvt Ltd	-	-	0.25	0.25
Mr. Arjun Juneja	1.39	1.81	-	-
Mr. Rajeev Juneja	2.62	2.62	-	-
Mr. Sheetal Arora	1.56	1.72	-	-
	<u>5.57</u>	<u>6.15</u>	<u>0.25</u>	<u>0.25</u>

**I. OCDs Redeemed (Net)**

Beyondtime Consultants Pvt Ltd	-	-	250.00	-
	<u>-</u>	<u>-</u>	<u>250.00</u>	<u>-</u>

**J. OCPS Redeemed (Net)**

Beyondtime Consultants Pvt Ltd	-	-	238.15	-
	<u>-</u>	<u>-</u>	<u>238.15</u>	<u>-</u>

**K. Borrowings Taken**

Mr. Arjun Juneja	187.50	-	-	-
Mr. Rajeev Juneja	352.50	-	-	-
Mr. Sheetal Arora	210.00	-	-	-
	<u>750.00</u>	<u>-</u>	<u>-</u>	<u>-</u>



**Pathkind Diagnostics Private Limited**

**CIN No- U74999DL2016PTC306874**

Notes to financial statements for the year ended March 31, 2022

All amounts are in INR Lacs unless otherwise stated

**iii. Balances outstanding as at the year end**

Particulars	KMP		Enterprises over which KMP exercise significant influence	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>A. Trade receivables</b>				
Mankind Pharma Limited	-	-	17.60	9.39
A. S. Packers	-	-	0.08	-
J.K Print Pack	-	-	1.36	1.36
N.S. Industries	-	-	0.23	0.11
Lifestar Pharma Private Limited	-	-	0.21	0.13
Magnet Labs Private Limited	-	-	0.95	0.13
Copmed Pharmaceuticals Private Limited	-	-	1.40	-
Mediforce Healthcare Private Limited	-	-	1.58	1.57
Sirmour Remedies Private Limited	-	-	1.35	1.34
Relax Pharmaceuticals Private Limited	-	-	1.58	-
Pharma Pet	-	-	0.08	0.29
Jagdish Chand Juneja Foundation	-	-	0.65	0.67
Acche Karam	-	-	0.50	0.42
Mediforce Research Pvt Ltd	-	-	0.33	-
Mankind Prime Labs Private Limited	-	-	0.40	-
Ayushi & Poonam Estates LLP	-	-	0.23	-
			<b>28.53</b>	<b>15.41</b>
<b>B. Trade payables</b>				
A. S. Packers	-	-	132.77	30.05
A To Z Packers	-	-	1.22	0.47
Mankind Pharma Ltd	-	-	0.12	0.12
Mankind Biosys Pvt. Ltd	-	-	2.38	13.49
Pharma Force Lab	-	-	1.16	-
Broadway Hospitality Services Pvt Ltd	-	-	5.70	-
			<b>143.35</b>	<b>44.13</b>
<b>C. Remuneration payable to KMP</b>				
Mr. Sanjeev Vashishta	7.38	-	-	-
	<b>7.38</b>	-	-	-
<b>D. 0.1% Compulsory Convertible Debentures</b>				
Mr. Arjun Juneja	-	217.65	-	-
Mr. Rajeev Juneja	-	409.19	-	-
Mr. Sheetal Arora	-	243.77	-	-
	-	<b>870.61</b>	-	-
<b>E. Borrowings</b>				
Mr. Arjun Juneja	187.50	-	-	-
Mr. Rajeev Juneja	352.50	-	-	-
Mr. Sheetal Arora	210.00	-	-	-
	<b>750.00</b>	-	-	-
<b>F. Loan given to Directors</b>				
Mr. Sanjeev Vashishta	300.00	300.00	-	-
	<b>300.00</b>	<b>300.00</b>	-	-



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**31 Expenditure on Corporate Social Responsibility :**

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR") Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.

However, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount during the year under section 135(5) of the Act.

**32. Ratios**

S No	Ratios	FY 2021-22	FY 2020-21	Variance	Numerator	FY 2021-22 Amount	FY 2020-21 Amount	Denominator	FY 2021-22 Amount	FY 2020-21 Amount	Remarks
(a)	Current Ratio	1.04	2.55	59.29%	Current Assets = Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	3,819.53	6,102.08	Current Liability = Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	3,680.56	2,393.89	Refer comment - 1
(b)	Debt Equity Ratio	0.13	4.28	97.04%	Debt= long term borrowing + Short-term borrowings	750.00	6,485.46	Equity= Share capital + Reserve and Surplus	5,926.32	1,515.32	Refer comment - 2
(c)	Debt Service coverage ratio	-3.69	360.58	101.02%	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	-1,043.16	2,452.36	Debt Service = Interest & Lease Payments + Principal Repayments	282.74	6.80	Refer comment - 3
(d)	Return on Equity Ratio	-0.49	-3.47	85.86%	Net Income= Net Profits after taxes - Preference Dividend	-1,823.55	1,832.23	average Shareholder's Equity	3,720.82	-528.46	Refer comment - 4
(e)	Inventory Turnover Ratio	4.17	8.14	48.72%	Cost of Goods Sold	6,835.17	6,701.05	(Opening Inventory + Closing Inventory) /2	1,637.24	823.09	Refer comment - 5
(f)	Trade Receivables turnover ratio	13.78	19.35	28.79%	Net Credit Sales	22,084.37	20,866.56	(Opening Trade Receivables + Closing Trade Receivables) /2	1,602.82	1,078.37	Refer comment - 6
(g)	Trade payables turnover ratio	5.36	8.54	37.17%	Net Credit Purchases	7,730.03	7,434.49	(Opening Trade Payables + Closing Trade Payables) /2	1,441.38	871.04	Refer comment - 7
(h)	Net capital turnover ratio	11.48	12.19	5.83%	Revenue/ sales	22,084.37	20,866.56	Average Working Capital= Average of Current assets - Current liabilities	1,923.58	1,711.46	
(i)	Net profit ratio	-0.09	0.08	212.34%	Net Profit (PBT)	-2,042.51	1,717.93	Net Sales	22,084.37	20,866.56	Refer comment - 8
(j)	Return on Capital employed	-0.28	0.21	237.53%	EBIT= Earnings before interest and taxes	-2,036.69	1,724.34	Capital Employed= Total Assets - Current Liability	7,197.99	8,381.41	Refer comment - 8
(k)	Return on investment	-1.33	1.83	172.45%	Net Profit (PAT)	-1,823.55	1,832.23	Net Investment= Net Equity	1,373.64	1,000.00	Refer comment - 8

**Reason for variation more than 25%**

- 1 The movement in current year is on account of disproportionate decrease in current asset and increase in current liability
- 2 The movement in current year is on account of conversion of borrowing into share capital
- 3 The movement in current year is on account of loss in current year and increase in repayment of borrowings
- 4 The movement in current year is on account of increase in share capital
- 5 The movement in current year is on account of disproportionate increase in inventories
- 6 The movement in current year is on account of disproportionate decrease in trade receivables
- 7 The movement in current year is on account of disproportionate increase in trade payables
- 8 The movement in current year is on account of loss in current year



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**33 Other Information:-**

- (i) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (ii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- (iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

34. There were no amounts which were required to be transferred to Investors Education and Protection Fund.

35. Previous year figures have been regrouped/ rearranged wherever necessary to conform to current year's classification.

**For Bhagi Bhardwaj Gaur & Co.**  
Chartered Accountants  
F.R No. 007895N


  
Mohit Gupta  
Partner  
M. No. 528337


Place: New Delhi  
Date: 22.09.2022



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

  
Ekshvya Juneja  
(Wholetime Director)  
DIN-06754247

  
Sanjeev Vashista  
(Managing Director & CEO)  
DIN-01457971

  
Prabhat Singh  
(Company Secretary)  
M. No:- FCS-8724



