

March 25, 2025

The Corporate Relations Department  
**BSE Limited**  
**BSE Scrip Code: 526301**

Dear Sir/Madam,

**Subject: Intimation pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')**

**Reference: Notice of Meeting of the equity shareholders of Medinova Diagnostic Services Limited to be convened as per the directions provided in the Order of the Hon'ble National Company Law Tribunal, Hyderabad Bench**

This is to inform that by an order dated March 5, 2025 (the "Order"), the Hon'ble National Company Law Tribunal Bench at Hyderabad ("NCLT"), has directed, inter alia, that a meeting of the Equity Shareholders of the Company be convened and held on **Friday, April 25, 2025, at 11:00 A.M. (IST)** through video conferencing ("VC")/ other audio visual means ("OAVM") to consider and, if thought fit, approve the Scheme of Amalgamation.

In this regard, please find enclosed the copy of the notice convening the meeting of the equity shareholders of the Company together with copy of the explanatory statement under Sections 230 and 232 read with Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and relevant annexures thereto.

In terms of the order and pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI Listing Regulations, 2015 the Company is providing e-voting facility to its members to exercise their votes electronically for the resolution enumerated in the Notice of the Meeting. Brief details of the meeting are as follows:

Day and date of meeting	Friday, April 25, 2025
Time and mode of meeting	11:00 A.M. (IST), through VC/OAVM
Cut-off date for e-voting	Friday, April 18, 2025
Date and time of start of remote e-voting	Monday, April 21, 2025, 09:00 A.M. (IST)
Date and time of end of remote e-voting	Thursday, April 24, 2025, 05:00 P.M. (IST)
Declaration of results of e-voting	on or before Monday, April 28, 2025

Further, the NCLT vide its order dated March 5, 2025, has dispensed the meeting of Unsecured Creditors and Unsecured Loan Creditor as they have conveyed their consent in writing for the Scheme of Amalgamation.

The notice of the meeting is also available on the website of the Company at <https://www.medinovaindia.com/investors.php>.

This is for your information and record.

Yours faithfully,

**For Medinova Diagnostic Services Limited**

**Hansraj Singh**  
**Company Secretary & Compliance Officer**  
**M. No. F11438**

# MEDINOVA DIAGNOSTIC SERVICES LIMITED

CIN: L85110TG1993PLC015481

Regd. Off: H. No. 7-1-58, Unit No. 1/ Flat No.301, 3rd Floor

Amrutha Business Complex, Ameerpet,

Hyderabad – 500016, Telangana, India

Tel: 040-2342 0411/12

Email: [cs@vijayadiagnostic.in](mailto:cs@vijayadiagnostic.in), Website: [www.medinovaindia.com](http://www.medinovaindia.com)

**NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY  
SHAREHOLDERS OF MEDINOVA DIAGNOSTIC SERVICES LIMITED PURSUANT  
TO THE ORDER DATED MARCH 5, 2025, AS PER THE DIRECTIONS OF THE  
HON'BLE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH**

<b>DAY</b>	<b>Friday</b>
<b>DATE</b>	<b>April 25, 2025</b>
<b>TIME</b>	<b>11:00 AM (IST)</b>
<b>MODE OF MEETING</b>	As per the directions of the Hon'ble National Company Law Tribunal, Hyderabad Bench, ("NCLT" or "Tribunal") the meeting shall be conducted through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")
<b>CUT-OFF DATE FOR E-VOTING</b>	<b>Friday, April 18, 2025</b>
<b>REMOTE E-VOTING START DATE AND TIME</b>	<b>Monday, April 21, 2025 09:00 A.M. (IST)</b>
<b>REMOTE E-VOTING END DATE AND TIME</b>	<b>Thursday, April 24, 2025 05:00 P.M (IST)</b>

# MEDINOVA DIAGNOSTIC SERVICES LIMITED

CIN: L85110TG1993PLC015481

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**FORM NO. CAA. 2**  
**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENCH AT HYDERABAD**  
**CA (CAA) NO. 10/230/HDB/2025**  
**IN THE MATTER OF THE COMPANIES ACT, 2013**  
**AND**  
**IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**  
**AND**  
**ALL OTHER APPLICABLE PROVISIONS OF THE SAID ACT**  
**AND**  
**IN THE MATTER OF SCHEME OF AMALGAMATION**  
**OF**  
**MEDINOVA DIAGNOSTIC SERVICES LIMITED**  
**(TRANSFEROR COMPANY)**  
**WITH**  
**VIJAYA DIAGNOSTIC CENTRE LIMITED**  
**(TRANSFeree COMPANY)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**“Medinova Diagnostic Services Limited”** is a listed public limited company incorporated under the Companies Act, 1956 with Corporate Identification Number (“CIN”): L85110TG1993PLC015481 with its registered office at H. No. 7-1-58, Unit No. 1/ Flat No.301, 3rd Floor Amrutha Business Complex, Ameerpet, Hyderabad – 500016, Telangana, India.

**....Applicant Company/ Transferor Company**

**NOTICE OF THE TRIBUNAL CONVENED MEETING OF EQUITY SHAREHOLDERS  
OF MEDINOVA DIAGNOSTIC SERVICES LIMITED AS PER THE DIRECTIONS OF  
THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH**

To,

**The Equity Shareholders**

**Medinova Diagnostic Services Limited**

**("The Company" or "Applicant Company" or "Transferor Company")**

Notice is hereby given that by an order dated March 5, 2025 by the Hyderabad Bench of the Hon'ble National Company Law Tribunal ("NCLT" or "Tribunal"), the NCLT has directed a Meeting to be held of Equity Shareholders of Medinova Diagnostic Services Limited for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Medinova Diagnostic Services Limited (Transferor Company) with Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors.

Pursuant to the Tribunal Order and as directed therein, the Meeting will be held through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") to consider, and if thought fit, to pass, the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(6) of the Act.

**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications, amendments, re-enactments thereof for the time being in force, relevant rules of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 and the provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approvals, sanctions, consents, observations, no objections, confirmations, permissions from the Hon'ble National Company law Tribunal, Hyderabad Bench, (NCLT) or such other competent authority as may be applicable, and the confirmation, permission, sanction and approval of the other statutory/regulatory

authorities, if any, in this regard and subject to such other conditions or guidelines, if any, as may be prescribed or stipulated by any such authorities, from time to time, while granting such approvals, sanctions, consents, observations, no objections, confirmations, permissions and which may be agreed by the Board of Directors of the Company, the draft "Scheme of Amalgamation of Medinova Diagnostic Services Limited (Transferor Company) with Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors on a going concern basis with effect from April 01, 2024 (First Day of April, Two Thousand and Twenty Four) being the Appointed Date, as placed before the Meeting and initialed by the Chairperson for the purpose of identification, be and is hereby approved."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized, empowered and directed to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to aforesaid resolution and to effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT, while sanctioning the amalgamation embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as may be deemed fit and proper".

In pursuance of the said order and as directed therein further notice is hereby given that a Meeting of Equity Shareholders of Medinova Diagnostic Services Limited will be held through VC/ OAVM on April 25 ,2025, at 11:00 AM (IST). For this purpose, the Company has entered into an agreement with KFin Technologies Limited ("KFin") for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by Equity Shareholders using remote e-voting as well as the e-voting system on the date of the Meeting will be provided by KFin. The instructions for e-voting are detailed in this Notice.

The Equity Shareholders are required to cast their vote by recording their assent or dissent on the electronic voting portal of KFin.

A copy of the said Scheme and the Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("CAA Rules") along with all annexures to

such statement are enclosed herewith. A copy of this Notice and the accompanying documents would be sent by electronic mode to those Equity Shareholders whose e-mail addresses are registered with the Company, unless the Equity Shareholders have requested for a physical copy of the same, and physically dispatched to those Equity Shareholders who have not provided their e-mail addresses to the Company.

A copy of this Notice and the accompanying documents shall also be placed on the website of the Company, i.e., <https://www.medinovaindia.com/>; the website of KFin (agency for providing the e-voting and other facilities for convening of the Meeting)

The Tribunal has appointed Ms. Syeda Adiba Fatima, Advocate, to be the Chairperson for the Meeting and in respect of any adjournment thereof and Ms. Padmaja Kalyani, Advocate and CS, to be the Scrutinizer for the Meeting.

The voting result of the Meeting shall be announced by the Chairperson or a person authorized by the Chairperson within 2 (two) working days upon receipt of Scrutinizer's report within from the conclusion of this Meeting and the same shall be displayed on the website of the Company, i.e., [www.medinovaindia.com](http://www.medinovaindia.com); and also on the website of KFin, i.e., <https://evoting.kfintech.com>.

The above-mentioned Scheme, if approved at the Meeting, will be subject to such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary and the subsequent approval of the NCLT.

**Sd/-**  
**Syeda Adiba Fatima**  
**Advocate**  
**Chairperson**  
**Tribunal Convened Meeting**  
**of Equity Shareholders of Medinova Diagnostic Services Limited**

**Date: March 25, 2025**

**Place: Hyderabad**

### **Notes for the Meeting:**

1. Pursuant to the directions of the NCLT vide its Order dated March 5, 2025, the Meeting of the Equity Shareholders of the Company is being conducted through VC/ OAVM facility to transact the business set out in the Notice convening this Meeting. As such, physical attendance of Equity Shareholders has been dispensed with. The Meeting will be conducted in compliance with the provisions of the Act, SEBI Listing Regulations, read with other applicable SEBI Circulars and in compliance with the requirements prescribed by the Ministry of Corporate Affairs for holding general meetings through VC/OAVM and providing facility of e-voting vide General Circular No. 09/2024 dated 19.09.2024 and by SEBI vide SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 03.10.2024. Accordingly, the deemed venue for the Meeting shall be the Registered Office of the Company. As such, physical attendance of Equity Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Equity Shareholders will not be available for the Meeting. Hence, proxy forms and attendance slips are not annexed to this Notice.
2. The Statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("Act") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date April 18, 2025, shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the cut-off date, should treat the Notice for information purpose only.
4. No route map of the venue of the Meeting is annexed hereto, since this Meeting is being held through VC/ OAVM.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

6. Equity Shareholders attending/ participating in the Meeting, through VC/ OAVM shall be reckoned for the purpose of quorum. In terms of the Tribunal Order and Section 103 of the Act, the quorum for the Meeting of Equity Shareholders is **30 (Thirty)** Equity Shareholders attending the Meeting.
7. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those Equity Shareholders whose email addresses are registered with the Company/ Depositories.
8. Members who have not registered their email addresses are requested to register their email addresses with their respective Depository Participants.
9. The Equity Shareholders may note that the aforesaid documents are also available on the website of the Company at <https://www.medinovaindia.com/> and the website of KFin (agency for providing the e-voting and other facilities for convening of the Meeting), i.e., <https://evoting.kfintech.com>.
10. If so desired, Equity Shareholders may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 etc., free of charge at the registered office of the Transferee Company or a written request in this regard, along with details of your shareholding in the Company, may be addressed to the Compliance Officer at [cs@vijayadiagnostic.in](mailto:cs@vijayadiagnostic.in).
11. A Body Corporate which is an Equity Shareholder of the Company is entitled to appoint an authorized representative for the purpose of participating and/ or voting during the Meeting held through video-conferencing facility. Further, such Body Corporates (other than individuals, HUF, NRI etc.) are required to send scanned Certified True Copy of the resolution authorizing such representative to attend and vote at the Meeting not later than 48 hours before the scheduled time of the Meeting, to the e-mail address of the Company at: [cs@vijayadiagnostic.in](mailto:cs@vijayadiagnostic.in) or at the registered office of the Company. Such authorized representative should furnish his/ her valid and legible identity proof issued

by a statutory authority (i.e., a PAN Card/ Aadhaar Card/ Passport/ Driving License/ Voter ID Card) to the e-mail address of the Company at [cs@vijayadiagnostic.in](mailto:cs@vijayadiagnostic.in) or at the registered office of the Company, not later than 48 hours before the scheduled time of the Meeting.

**12. The remote e-voting shall commence at 09:00 AM (IST) on Monday, April 21, 2025 and close at 05:00 PM (IST) on Thursday, April 24, 2025. Further, the e-voting facility shall also be available on Friday, April 25, 2025 during the Meeting.**

**13. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered and approved by the Equity Shareholders of the Transferor Company if the resolution mentioned above in the notice has been approved by persons representing three-fourths in value of total valid votes cast (remote e-voting and voting during the Meeting) and majority of the Equity Shareholders present and voted during the Meeting.**

**14. Further, the Scheme is conditional upon it being approved by the PUBLIC shareholders of the Transferor Company through e-voting in terms of para 10 (a) of Part I of SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and the Scheme shall be acted upon only if votes cast by the Public Shareholders in favor of the proposal are more than the number of votes cast by the Public Shareholders against it.**

**15. All the relevant documents referred to in the Notice along with accompanying Explanatory Statement are open for inspection at the registered office of the Company on all working days (except on Sundays and Public holidays) till the date of Meeting.**

**16. In case of any query and/ or grievance, in respect of voting by electronic means, Equity Shareholders may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available at the download Section of <https://evoting.kfintech.com> (KFintech Website) or contact Mr. Mohammed Shanoor on (040) 67161767 or call KFin's toll free no. 1-800-309-4001 for any further clarifications.**

**17. PROCEDURE FOR E-VOTING:**



- a. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), the Company is providing facility to its Equity Shareholders as on Cut-off date i.e., April 18, 2025, to exercise their right to vote by way of electronic means on all the resolutions as set forth in the accompanying Notice through e-voting service provider KFin Technologies Limited ("KFin").
- b. The remote e-voting period commences on **Monday, April 21, 2025** from 09:00 AM (IST) and ends on **Thursday, April 24, 2025** at 05:00 PM (IST). The e-voting module shall be disabled by KFin for voting thereafter. Once the Equity Shareholders casts the vote on the resolution, the Equity Shareholders shall not be allowed to change it subsequently.
- c. Members may cast their vote during the above-referred remote e-voting period. Further, the facility to e-vote at the Meeting will be provided to the Members who have not cast their vote during remote e-voting period.
- d. A Member may participate in the Meeting even after exercising his right to vote through remote e-voting prior to the Meeting but shall not be allowed to vote again at the Meeting.
- e. Any Shareholder, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of cut-off date, may obtain the login id and password by sending a request to [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if he/ she is already registered for remote e-voting then he/ she can use his/ her existing User ID and password for casting the vote.
- f. The Tribunal has appointed Ms. Padmaja Kalyani, Advocate and CS, as the Scrutinizer to scrutinize the remote e-voting process and voting during the Meeting in a fair and transparent manner.
- g. The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the Meeting and votes cast through remote e-voting), within 2 working days from the conclusion of the Meeting, submit a consolidated scrutinizer

report of the total votes cast in favour and against the resolution(s) has/ have been carried or not, to the Chairperson or any other person authorised by her in writing.

- h. The result declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.medinovaindia.com/> and on the website of KFin <https://evoting.kfintech.com> immediately after the result is declared. The Company shall simultaneously submit the results to BSE Limited where the securities of the Company are listed.
- i. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., Friday, April 25, 2025.

#### **18. PROCESS FOR E-VOTING AND JOINING E-MEETING:**

The detailed process and manner for remote e-voting and e-Meeting are explained herein below:

STEP 1: Access to Depositories (NSDL/ CDSL) e-voting system in case of Individual Shareholders holding shares in demat mode.

STEP 2: Access to KFinTech e-voting system in case of Shareholders holding shares in physical and Non-Individual Shareholders in demat mode.

STEP 3: Access to join virtual meetings (e-Meeting) of the Company on KFin system to participate in e- Meeting and vote at the Meeting.

#### **STEP 1: Login method for remote e-voting for Individual Shareholders holding securities in demat mode:**

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDeAS facility may follow the following procedure:</p> <p>i. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p>

Type of Shareholders	Login Method
	<ul style="list-style-type: none"> <li>ii. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</li> <li>iii. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-voting.</li> <li>iv. Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.</li> <li>v. Click on “Active E-voting Cycles” option under E-voting.</li> <li>vi. You will see Company Name: “Medinova Diagnostic Services Limited” on the next screen. Click on the e-voting link available against Medinova Diagnostic Services Limited or select e-voting service provider “KFin” and you will be redirected to the e-voting page of KFinTech to cast your vote without any further authentication.</li> </ul> <p><b>2. User not registered for IDeAS e-Services may follow the following procedure:</b></p> <ul style="list-style-type: none"> <li>i. To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>ii. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.</li> <li>iv. After successful registration, please follow steps given under point 1 above, to cast your vote.</li> </ul> <p><b>3. Alternatively, the users may directly access the e-voting website of NSDL:</b></p> <ul style="list-style-type: none"> <li>i. Open URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a></li> </ul>

Type of Shareholders	Login Method
	<p>ii. Click on the icon “Login” which is available under ‘Shareholder/ Member’ section.</p> <p>iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen</p> <p>iv. Post successful authentication, you will be requested to select the name of the Company and the e-voting Service Provider name, i.e. <b>KFin</b></p> <p>v. On successful selection, you will be redirected to KFintech e-voting page for casting your vote during the remote e-voting period.</p> <p><b>4. NSDL Speede app:</b></p> <p>Shareholders/ Members may also download NSDL Speede App on Mobile which is available on Google Play Store and Apple App Store.</p>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<p><b>1. Existing users who have opted for Easi/ Easiest may follow the following procedure:</b></p> <p>i. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>ii. Click on New System Myeasi</p> <p>iii. Login with your registered user id and password</p> <p>iv. The user will see the e-voting Menu. The Menu will have links of e-voting service provider i.e. KFintech e-voting portal.</p> <p>v. You will see Company Name: “Medinova Diagnostic Services Limited” on the next screen. Click on the e-voting link available against Medinova Diagnostic Services Limited. or select e-voting service provider “KFintech” and you will be re-directed to the e-voting page of KFintech to cast your vote without any further</p>

Type of Shareholders	Login Method
	<p>authentication. Click on e-voting service provider name to cast your vote.</p> <p><b>2. User not registered for Easi/ Easiest may follow the following procedure:</b></p> <ul style="list-style-type: none"> <li>i. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>ii. Proceed to complete registration using your DP IDClient ID (BO ID), etc.</li> <li>iii. After successful registration, please follow steps given under point 1 above to cast your vote.</li> </ul> <p><b>3. Alternatively, by directly accessing the e-voting website of CDSL</b></p> <ul style="list-style-type: none"> <li>i. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Provide your Demat Account Number and PAN</li> <li>iii. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account</li> <li>iv. After successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Medinova Diagnostic Services Ltd. or select e-voting service provider “KFintech” and you will be redirected to the e-voting page of KFintech to cast your vote without any further authentication.</li> </ul>
<p><b>Individual Shareholders (holding shares in demat mode) login through their demat accounts/ Website of Depository</b></p>	<ul style="list-style-type: none"> <li>i. You can also login using the login credentials of your demat account through your DP registered with NSDL/ CDSL for e-voting facility.</li> <li>ii. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/ CDSL Depository site after successful</li> </ul>

Type of Shareholders	Login Method
Participant.	<p>authentication, wherein you can see e-voting feature.</p> <p>iii. Click on options available against Medinova Diagnostic Services Ltd. or e-voting service provider – KFintech and you will be redirected to e-voting page of KFintech to cast your vote during the remote e-voting period without any further authentication.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:**

Login Type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022 - 23058738 or 022 -23058542-43

**STEP 2: Login method for e-voting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode:**

- a. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of e-voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
  - i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), followed by folio number. In case

of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote. If required, please visit <https://evoting.kfintech.com> or contact toll-free numbers 1800309 4001 (from 9:00 a.m. to 6:00 p.m. on all working days) for assistance on your existing password.

- iii. After entering these details appropriately, click on “LOGIN”
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials
- vi. On successful login, the system will prompt you to select the “EVEN” i.e. “Medinova Diagnostic Services Limited” and click on “Submit”
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/ AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/ AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- viii. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat account.

- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
  - xi. A confirmation box will be displayed. Click "OK" to confirm or else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to attend the MEETING through VC/ OAVM on its behalf and to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [padmajakalyani.mv@gmail.com](mailto:padmajakalyani.mv@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [cs@vijayadiagnostic.in](mailto:cs@vijayadiagnostic.in). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_ EVEN No."
- b. Members whose email IDs are not registered with the Company/ Depository Participants(s), and consequently the Notice of meeting and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of meeting and the e-voting instructions.
  - ii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.



**STEP 3: Instructions for all the Shareholders, including Individual, other than Individual and Physical, for attending the meeting of the Company through VC/ OAVM and e-voting during the Meeting.**

- a. Members will be provided with a facility to attend the meeting through VC/ OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com> by using the e-voting login credentials provided in the email received from the Company/ KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company or the company name and click on the video symbol and accept the Meeting etiquettes to join the Meeting. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.
- b. Facility for joining meeting through VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.
- c. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- d. Members will be required to grant access to the webcam to enable VC/ OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop, connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e. As the meeting is being conducted through VC/ OAVM, for the smooth conduct of proceedings of the meeting, Members are encouraged to express their views/ send their queries in advance mentioning their name, demat account number/ folio number, email id, mobile number at [cs@vijayadiagnostic.in](mailto:cs@vijayadiagnostic.in) Questions/ queries received by the Company till Tuesday, April 22, 2025 shall only be considered and responded during the meeting.

### Instructions for e-voting during meeting:

- a. The e-voting “Thumb sign” on the left-hand corner of the video screen shall be activated upon instructions during the meeting proceedings. Shareholders shall click on the same to take them to the “*instapoll*” page.
- b. Members need to click on the “*instapoll*” icon to reach the resolution page and follow the instructions to vote on the resolutions.
- c. Only those Shareholders, who are present in the meeting and have not cast their vote through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the meeting.

### 19. OTHER INSTRUCTIONS:

- a. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the meeting to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFintech. On successful login, select ‘Speaker Registration’ for registration which will be opened from Monday, April 21, 2025, 9:00 a.m. IST to Tuesday, April 22, 2025, 5:00 p.m. IST. Members shall be provided a ‘queue number’ before the Meeting. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the meeting.
- b. **Post your Question:** The Members who wish to post their questions prior to the Meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the email received from KFintech. On successful login, select ‘Post Your Question’ option which will be open from Monday, April 21, 2025, 9:00 a.m. IST to Tuesday, April 22, 2025, 5:00 p.m. IST.
- c. In case of any query and/ or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com>

(KFintech Website) or contact Mr. Mohammed Shanoor on (040) 67161767 or call KFin's toll free No. 1-800-309-4001 for any further clarifications.

- d. The Members whose names appear in the Register of Members/ list of Beneficial Owners as on Friday, April 18, 2025, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the Member casts the vote on a resolution, the Member shall not be allowed to change it subsequently.

In case a person has become a Member of the Company after dispatch of meeting Notice but on or before the cutoff date for E-voting, he/ she may obtain the User ID and Password in the manner as mentioned below:

- a. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-voting Event Number + Folio No. or DP ID Client ID to 9212993399
1. Example for NSDL: MYEPWD <SPACE> XXXX IN12345612345678
  2. Example for CDSL: MYEPWD<SPACE> XXXX 1402345612345678
  3. Example for Physical: MYEPWD <SPACE> XXXX1234567890
- b. If e-mail address or mobile number of the member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Members who may require any technical assistance or support before or during the MEETING are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).

## **20. GENERAL INSTRUCTIONS:**

- a. The Tribunal has appointed, Ms. Padmaja Kalyani, Advocate and CS, to act as Scrutinizer to scrutinize the remote e-voting process and voting during the meeting

in a fair and transparent manner. The Scrutinizer will submit their report to the Chairperson. The Scrutinizer will submit their report to the Chairperson after the completion of scrutiny, and the result of the voting will be announced by the Chairperson or by a person authorized by the Chairperson, on or before April 28, 2025, and will also be displayed on the website of the Company at <https://www.medinovaindia.com/>, besides being communicated to the Stock Exchange.

- b. All communications relating to equity shares/ meeting are to be addressed to the Company's RTA at XL Softech Systems Limited, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500034, Contact Number 040 23545913/14/15, e-Mail id: [xlfield@gmail.com](mailto:xlfield@gmail.com), website: <https://xlsoftech.com/>.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENCH AT HYDERABAD**  
**CA (CAA) NO. 10/230/HDB/2025**  
**IN THE MATTER OF THE COMPANIES ACT, 2013**  
**AND**  
**IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**  
**AND**  
**ALL OTHER APPLICABLE PROVISIONS OF THE SAID ACT**  
**AND**  
**IN THE MATTER OF SCHEME OF AMALGAMATION**  
**OF**  
**MEDINOVA DIAGNOSTIC SERVICES LIMITED**  
**(TRANSFEROR COMPANY)**  
**WITH**  
**VIJAYA DIAGNOSTIC CENTRE LIMITED**  
**(TRANSFeree COMPANY)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**“Medinova Diagnostic Services Limited”** is a listed public limited company incorporated under the Companies Act, 1956 with Corporate Identification Number (“CIN”): L85110TG1993PLC015481 with its registered office at H. No. 7-1-58, Unit No. 1/ Flat No.301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad – 500016, Telangana, India.

**....Applicant Company/ Transferor Company**

**EXPLANATORY STATEMENT UNDER SECTION 102 READ WITH SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND DETAILS & INFORMATION AS REQUIRED UNDER RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. A Scheme of Amalgamation between Medinova Diagnostic Services Limited (Transferor Company) and Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors ("Scheme"), was proposed by the Board of Directors of the Transferor Company and Transferee Company for the purpose of amalgamation of Medinova Diagnostic Services Limited with and into Vijaya Diagnostic Centre Limited on a going concern basis with effect from April 01, 2024 (First Day of April, Two Thousand and Twenty Four), being the Appointed Date.
2. The said Scheme of Amalgamation was approved by the Board of Directors of the Transferor Company and Transferee Company at their respective Meetings held on June 26, 2024, under the provisions of Sections 230 to 232 of the Companies Act, 2013, by passing respective Board Resolutions. The Board of Directors of the respective Companies approved the Scheme after taking into consideration the rationale of the Scheme and the certificate issued by the Statutory Auditors of the respective Companies to the effect that the Accounting Treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
3. The Board of Directors of the Transferor Company and Transferee Company at their respective Meeting held on June 26, 2024, authorized, empowered and directed severally, Mr. Gaurav Yadav, Authorized Signatory of the Transferor Company and Mr. Hansraj Singh, Authorized Signatory of the Transferee Company, respectively, to file the Scheme along with necessary documents by making application, petition etc., with the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT" or "Tribunal") and with such other authorities as may be required for taking their approval to the Scheme and further authorized, empowered and directed them to take all such necessary steps and actions to give effect to the provisions of the Scheme.
4. Accordingly, a Joint Application vide CA (CAA) NO. 10/230/HDB/2025 was made to the NCLT by the Applicant Companies for obtaining the sanction of the Tribunal to the

Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013, on February 08, 2025.

5. The CA (CAA) NO. 10/230/HDB/2025 was allowed by the Hon'ble Tribunal vide Order dated March 5, 2025 and pursuant to said Order a Meeting of the Equity Shareholders of Medinova Diagnostic Services Limited is being convened on April 25, 2025 at 11:00 AM IST through VC/ OAVM, for the purpose of considering, and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation between Medinova Diagnostic Services Limited (Transferor Company) and Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors.
6. **DESCRIPTION, INFORMATION AND OTHER DETAILS PERTAINING TO THE APPLICANT COMPANIES:**

**TRANSFEE COMPANY:**

- 6.1 Vijaya Diagnostic Centre Limited (hereinafter referred to as the "Transferee Company") was originally incorporated as a Private Limited Company under the name and style "Vijaya Diagnostic Centre Private Limited" pursuant to the provisions of the Companies Act, 1956, on June 5, 2002 (Fifth day of June Two Thousand two). Subsequently, the Company converted itself into a Public Limited Company and also got listed on BSE Limited and National Stock Exchange of India Limited (NSE) having CIN L85195TG2002PLC039075 by following the due provisions laid down under the Companies Act, 2013 and consequently, the word "Private" was struck off from the name of the Company on March 26, 2021 (Twenty Sixth of March Two thousand twenty two) by the Registrar of Companies, Hyderabad. The Company shifted its Registered Office from 3-6-16 & 17, Street No. 19, Himayatnagar, Hyderabad - 500029, Telangana, India to No.6-3-883/F, FPA Building, Near Topaz building, Punjagutta, Hyderabad - 500082, Telangana, India by following the due provisions laid down under the Companies Act, 2013. The PAN of the Transferee Company is AABCV5096R.

**6.2** Few of the main objects of the Transferee Company are as follows:

- a. To design, construct, own or otherwise acquire and to carry on the business of setting up, managing, administering and running of Diagnostic Centres, Hospitals and or Mobile Medical units, Medical service Centres, Clinics, Nursing Homes, Intensive Care units on ownership basis as well as on Franchise arrangements.
- b. To carry on business, manufacture, buy, sell, import, export and generally deal in all types of surgical, medical, pharmaceutical, scientific equipment and instruments, appliances, accessories and diagnostic reagent kits, diagnostic equipment, aids and accessories, health care aids, health care products and instruments, chemicals, pharmaceuticals, drugs and intermediates and bio-chemicals and software products for Diagnostic and Health care centers and to publish journals, Books for Diagnostic and Health Centers.
- c. To setup facilities for carrying medical research and to educate and train Radiologists, Radiographers, CT Technicians, Lab Technicians, Lab Assistants, Medical Students, Nurses, Mid-wives and other technical services as well as administrative staff.
- d. To conduct all kinds of research and development work required for promotion and running of Diagnostic Centers, Hospitals, Dispensaries, Maternity Homes, Health Centers, Clinics and to carry on the business of consultancy relating to them.
- e. To carry on business of acting as advisers and consultants on all matters and problems relating to hospitals, health sanitarium, clinics, health resorts and to promote health care.

**6.3** There has been no instance of change of objects of the Company, during the last five years and instance of change of name has been mentioned in Clause 6.1 as mentioned above.



- 6.4** Details of change of Registered Office during the last Five years: The Transferee Company shifted its Registered Office from 3-6-16 & 17, Street No. 19, Himayatnagar, Hyderabad - 500029, Telangana, India to No.6-3-883/ F, FPA Building, Near Topaz building, Punjagutta, Hyderabad - 500082, Telangana, India by following the due provisions laid down under the Companies Act, 2013.
- 6.5** The authorized, issued, subscribed and paid-up share capital of Transferee Company as on **March 31, 2024**, is as follows:

Particulars	Amount in INR
<b>Authorized Share Capital:</b>	
12,05,00,000 (Twelve Crore Five Lakh) Equity Shares of INR 1 (INR One) each	12,05,00,000
<b>TOTAL</b>	<b>12,05,00,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
10,23,45,693 (Ten Crore Twenty-Three Lakhs Forty-Five Thousand Six Hundred and Ninety-Three) Equity Shares of INR 1 (INR One) each	10,23,45,693
<b>TOTAL</b>	<b>10,23,45,693</b>

Subsequent to March 31, 2024, there has been a change in the share capital of the Transferee Company on account of allotment of Equity Shares pursuant to exercise of ESOPs by the employees of the Transferee Company and share capital as on date is as follows:

Particulars	Amount in INR
<b>Authorized Share Capital:</b>	
12,05,00,000 (Twelve Crore Five Lakh) Equity Shares of INR 1 (One) each	12,05,00,000
<b>TOTAL</b>	<b>12,05,00,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
10,26,36,278 (Ten Crore Twenty-Six Lakhs Thirty-Six Thousand Two Hundred and Seventy-Eight) Equity Shares of INR 1 (INR One) each	10,26,36,278
<b>TOTAL</b>	<b>10,26,36,278</b>

**6.6** Following is the Shareholding Pattern of the Transferee Company as on March 14, 2025:

<b>Sl. No.</b>	<b>Category of shareholder</b>	<b>No. of Shareholders</b>	<b>Total No. of shares held</b>	<b>% of holding</b>
1.	Promoter & Promoter Group	10	5,53,24,461	53.90
2.	Public	64,286	4,73,11,817	46.10
3.	Non-Promoter Non-Public	Nil	Nil	Nil
<b>Total</b>		<b>64,296</b>	<b>10,26,36,278</b>	<b>100.00</b>

The Transferee Company's equity shares are listed and traded on BSE Limited bearing ISIN: INE043W01024 & Scrip Code: 543350 and on the National Stock Exchange of India Limited ("NSE") bearing Symbol: VIJAYA.

**6.7** Details of Promoters of Transferee Company (as on date of this Notice) along with their addresses are mentioned herein below:

<b>Sl. No.</b>	<b>Name</b>	<b>Address</b>
1.	Sura Surendranath Reddy	809 Nagarjuna Hills, Punjagutta Hyderabad-500082, Telangana
2.	Sura Suprita Reddy	8-2-293/82/321-J, Road No. 26, Jubilee Hills, Shaikpet, Hyderabad-500033, Telangana
3.	Sunil Chandra Kondapally	8-2-293/82/A/603 Road No 32 & 33 Jubilee Hills, Hyderabad-500033, Telangana
4.	Sura Geetha Reddy	809 Nagarjuna Hills, Punjagutta Hyderabad-500082, Telangana
5.	Venkata Sanjay Kumar Puligoru	808, 8-2-248/B/28/A, Nagarjuna Hills, Punjagutta, Hyderabad-500082, Telangana
6.	Birudavolu Vishnu Priya	Plot No. 603, Road No. 33, Jubilee Hills, Hyderabad - 500033,

		Telangana
7.	P Madhulika	H. No. 3-6-467/1 Flat No. 501, Srinivas Apartments Street, No. 5, Near Prakash Arts, Himayath Nagar, Hyderabad, Telangana
8.	Birudavolu Jalaja	H No. 8-2-293/82/A/487, Road No. 10, Jubilee Hills, Hyderabad - 500033, Telangana
9.	Birudavolu Dayakar Reddy	Plot No. 487, Road No. 10, Jubilee Hills, Hyderabad - 500033, Telangana
10.	Birudavolu Gautam	Plot No. 487, Road No. 10, Jubilee Hills, Hyderabad - 500033, Telangana
11.	Vijaya Holdings India LLP	H No. 7-1-58, Amrutha Business Complex, 3 <sup>rd</sup> Floor, Opp: Lal Bungalow, Ameerpet, Hyderabad - 500016, Telangana
12.	Birudavolu Charitha Reddy	8-2-293/82/A/487, Plot No. 487, Road No. 10, Jubilee Hills, Hyderabad - 500033, Telangana
13.	Nanda Kumar Birudavolu	Plot No. 487, Road No. 10, Jubilee Hills, Hyderabad - 500033, Telangana
14.	Manjula Kankanti	8-2-293 82 H H27 Plot No. 27, Huda Heights, Road No. 12, MLA Colony, Banjara Hills, Hyderabad - 500034, Telangana

**6.8** Details of Directors of Transferee Company (as on date of this Notice) along with their addresses are mentioned herein below:

S. No	Name	DIN	Address
1.	Dr. Sura Surendranath Reddy	00108599	809 Nagarjuna Hills, Punjagutta Hyderabad-500082, Telangana
2.	Sunil Chandra Kondapally	01409332	8-2-293/82/A/603 Road No 32 & 33 Jubilee Hills, Hyderabad-500033, Telangana
3.	Sura Suprita Reddy	00263618	8-2-293/82/321-J, Road No. 26, Jubilee Hills, Shaikpet, Hyderabad-500033, Telangana
4.	Sura Geeta Reddy	01073233	809 Nagarjuna Hills, Punjagutta Hyderabad - 500082, Telangana
5.	Shekhar Prasad Singh	00969209	8-2-293/82/PN/176, Plot No. 176, Road No. 72, Prashasan Nagar, Jubilee Hills, Hyderabad - 500033, Telangana
6.	Satyanarayana Murthy Chavali	00142138	8-2-293/82/A/408, Road No 22A Jubilee Hills, Hyderabad - 500033, Telangana
7.	Dr. Manjula Anagani	03501757	Flat no. 208, Aparna Chandra Deep, Banjara Hills, Road No. 7, Hyderabad - 500034, Telangana
8.	Dr. Duvvur Nageshwar Reddy	00324725	R/o. A-27, Journalists Colony, Jubilee Hills, Hyderabad - 500033, Telangana

**6.9** Names of the Directors of Vijaya Diagnostic Centre Limited (Transferee Company) who voted in favor of the resolution approving the Scheme of Amalgamation between Medinova Diagnostic Services Limited (Transferor Company) and Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors at the meeting of Board of Directors of the Company held on June 26, 2024, are as follows:

Sl. No.	Name	DIN
1.	Dr. Sura Surendranath Reddy	00108599
2.	Sunil Chandra Kondapally	01409332
3.	Sura Suprita Reddy	00108599
4.	Sura Geeta Reddy	01073233
5.	Shekhar Prasad Singh	00969209
6.	Satyanarayana Murthy Chavali	00142138
7.	Dr. Manjula Anagani	03501757
8.	Dr. Duvvur Nageshwar Reddy	00324725

All the Directors participated and voted in favour and none of the Directors voted against the resolution.

**6.10** The Transferee Company owes an amount of INR 44,76,95,478/- (Indian Rupees Forty-Four Crores Seventy-Six Lakhs Ninety-Five Thousand Four Hundred Seventy-eight only) to 234 (Two Hundred and Thirty-Four only) Unsecured Creditors as on December 20, 2024.

**6.11** The Transferee Company does not have any Secured Creditors as on December 20, 2024.

**TRANSFEROR COMPANY:**

**6.12** Medinova Diagnostic Services Limited (hereinafter called as the Transferor Company) is a listed public limited company (listed on BSE Limited), incorporated in the State of Telangana under the provisions of the Companies Act, 1956 on March 11, 1993 (Eleventh day of March Nineteen Ninety Three) vide CIN L85110TG1993PLC015481 with its registered office at H. No. 7-1-58, Unit No. 1/ Flat No. 301, 3rd Floor Amrutha Business Complex, Ameerpet, Hyderabad - 500016, Telangana, India. The PAN of the Transferor Company is AACCM2130N.

**6.13** The present main objects of the Transferor Company are as follows:

- a. To design, construct, own or otherwise acquire and to carry on the business of setting up managing, administering and running of Diagnostic Centres, on ownership basis as well as under Franchise arrangement.
- b. To establish, maintain, run hospitals and or mobile medical units, medical service centers, clinics, nursing homes, intensive care units on ownership basis as well as on Franchise arrangement.
- c. To carry on business, manufacture, buy, sell, import, export, and generally deal all types of surgical, medical, pharmaceutical, scientific, equipment and instruments, appliances, accessories and diagnostic reagent kits, diagnostic equipment, aids and accessories, health care aids, health care products and instruments.
- d. To set up facilities for carrying on medical research and to educate and train Radiologists, Radiographers, CT Technicians, Lab Technicians, Lab Assistants, medical students, nurses, mid-wives and other technical as well as administrative staff.
- e. To conduct all kinds of research and development work required for promotion and running of Diagnostic Centres, hospitals, dispensaries, maternity homes, health centers, clinics and to carry on the business of consultancy relating to them.
- f. To carry on the business of manufacture, buy, sell, import, export and generally deal in all types of chemicals, pharmaceuticals, drugs and intermediates and to carry on research and development of medical care including diagnostic systems, pharmaceuticals, drugs or patent medicines.

**6.14** During the last five years, there have been no instances of change of name and change of objects of the Company.

- 6.15** Details of change of Registered Office during the last Five years: The Transferor Company shifted its Registered Office from H. No. 7-1-58/A/FF/8, 1st Floor, Unit Office Flat/Unit No. 8, Amrutha Business Complex, Ameerpet, Hyderabad 500016, Telangana to H. No. 7-1-58, Unit No. 1/ Flat No.301, 3rd Floor Amrutha Business Complex, Ameerpet, Hyderabad - 500016, Telangana by following the due provisions laid down under the Companies Act, 2013.
- 6.16** The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on **March 31, 2024**, is as follows:

Particulars	Amount in INR
<b>Authorized Share Capital:</b>	
1,10,00,000 (One Crore Ten Lakhs) Equity Shares of INR 10 (INR Ten) each	11,00,00,000
<b>TOTAL</b>	<b>11,00,00,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
99,81,640 (Ninety-Nine Lakhs Eighty-One Thousand Six Hundred and Forty) Equity Shares of INR 10 (INR Ten) each*	9,98,16,400
<b>TOTAL</b>	<b>9,98,16,400</b>

*\*Out of the above total no. of equity shares, an amount of INR 5 (Five) each in relation to 49,600 Equity Shares, totalling to INR 2,48,000 were unpaid by few shareholders at the time of public issue (IPO) in the year 1993-94. Due to the non-availability of the information considering the 30-year legacy of the Transferor Company and for the purposes of this Scheme of Amalgamation, the said shares are being considered as fully paid-up.*

**The Transferor Company is a subsidiary of the Transferee Company. The Transferee Company holds 62.14% stake in the Transferor Company as on June 26, 2024, i.e., the date of the approval of Scheme of Amalgamation by the Board of Directors of the Applicant Companies.**

Subsequent to March 31, 2024, there has been no change in the share capital of the Transferor Company till the date of filing this application.

6.17 Following is the Shareholding Pattern of the Transferor Company as on March 14, 2025:

Sl. No.	Category of shareholder	No. of Shareholders	Total No. of shares held	% of holding
1.	Promoter & Promoter Group	1	62,02,220	62.14
2.	Public	10,884	37,79,420	37.86
3.	Non-Promoter Non-Public	Nil	Nil	Nil
<b>Total</b>		<b>10,885</b>	<b>99,81,640</b>	<b>100.00</b>

The Transferor Company's equity shares are listed and traded on the BSE Limited ("BSE") bearing ISIN: INE047C01019 & Scrip Code: 526301.

6.18 Details of Promoters of Transferor Company (as on date of this Notice) along with their addresses are mentioned herein below:

S. No.	Name	Address
1.	Vijaya Diagnostic Centre Limited	No.6-3-883/ F, FPA Building, Near Topaz Building, Punjagutta, Hyderabad, Telangana - 500082, India.

6.19 Details of Directors of Transferor Company (as on date of this Notice) along with their addresses are mentioned herein below:

Sl. No.	Name	Address
1.	Dr. Sura Surendranath Reddy	809 Nagarjuna Hills, Punjagutta Hyderabad-500082,



Sl. No.	Name	Address
		Telangana
2.	Sunil Chandra Kondapally	8-2-293/82/A/603 Road No 32 & 33 Jubilee Hills, Hyderabad- 500033, Telangana
3.	B Vishnu Priya Reddy	8-2-293/82/A/603 Road No 32 & 33 Jubilee Hills, Hyderabad- 500033, Telangana
4.	P. Kamalakar Rao	6-3-901/2, 2 A, Pemmasani Residency, Somajiguda, Hyderabad - 500082, Telangana
5.	Ravikumar Reddy Kanamatareddy	6-3-712/98/C, Sowbhagya Nilayam, Punjagutta, Hyderabad- 500082, Telangana

**6.20** Names of the Directors of Medinova Diagnostic Services Limited (Transferor Company) who voted in favor of the resolution approving the Scheme of Amalgamation between Medinova Diagnostic Services Limited (Transferor Company) and Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors at the meeting of Board of Directors of the Company held on June 26, 2024, are as follows:

Sl. No.	Name	DIN
1.	Dr. Sura Surendranath Reddy	00108599
2.	Sunil Chandra Kondapally	01409332
3.	B Vishnu Priya Reddy	00108639
4.	P. Kamalakar Rao	03057676
5.	Ravikumar Reddy Kanamatareddy	10663314

All the Directors participated and voted in favour and none of the Directors voted against the resolution.

**6.21** The Transferor Company owes an amount of INR 2,17,19,200/- (Indian Rupees Two Crores Seventeen Lakhs Nineteen Thousand Two Hundred Only) to 32

(Thirty-two) Unsecured Creditors, as on December 20, 2024 out of which 4 (Four) Unsecured Creditors constituting INR 2,11,71,739/- (Indian Rupees Two Crores Eleven Lakhs Seventy One Thousand Seven Hundred and Thirty Nine only) and aggregating to 97.48% of the Unsecured Creditors have by way of an affidavit in writing given their consents to the Scheme of Amalgamation, waiving their right to convene meeting of the Unsecured Creditors for approving of the Scheme. The Transferor Company does not have any Secured Creditors as on December 20, 2024.

The Transferor Company owes an amount of INR 5,00,00,000/- (Indian Rupees Five Crores Only) to 1 (One) Unsecured Loan Creditor, as on December 20, 2024, the Transferor Company has obtained the consent by way of an affidavit in writing constituting INR 5,00,00,000/- (Indian Rupees Five Crores only) and aggregating to 100% of the Unsecured Loan Creditor consenting to the Scheme of Amalgamation, waiving their right to convene meeting of the Unsecured Loan Creditors for approving of the Scheme

## **7. RATIONALE, OBJECTIVE, PURPOSE AND BENEFITS OF THE SCHEME TO THE COMPANY AND ITS STAKEHOLDERS**

The Transferor Company and Transferee Company are of the view that the proposed Amalgamation of the Transferor Company with and into the Transferee Company would, inter alia, have the following benefits:

- a. Both the Transferor Company and Transferee Company are engaged in the business of providing diagnostic services. The proposed Amalgamation will enable the Transferor Company and the Transferee Company to combine their businesses and create synergies between their businesses, including revenue synergies through sharing of consumer understanding, market insights and channel models to ensure faster reach to the market and to achieve faster growth;
- b. Cost savings are expected to flow from more focused operational efforts and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool, human resource, administration,

finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses;

- c. Greater efficiency in cash management of the Transferee Company, pooling of cash resources and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to maximize shareholder value;
- d. The proposed Amalgamation will not adversely impact and is expected to create enhanced value for the stakeholders of the Transferor Company and the Transferee Company; and
- e. Simplification of overall group structure and creating efficiencies through Amalgamation.

## **8. SCOPE OF THE SCHEME**

The Scheme of Amalgamation is presented pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**the Act**") and the rules made thereunder (to the extent applicable) for the Amalgamation of Medinova Diagnostic Services Limited (Transferor Company) with Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors. The Scheme (as defined hereinafter) also provides for various other matters consequential to, or otherwise integrally connected with the above, as more specifically stated hereinafter. The scope of the Scheme is as under:

- a. Amalgamation of the Transferor Company with and into Transferee Company.
- b. Dissolution of the Transferor Company without Winding up.
- c. The transfer of the Transferor Company on a going concern basis.

This Scheme of Amalgamation has been drawn up to comply with the conditions as specified under Section 2(1B) of Income-tax Act, 1961, such that:

- i. all the property of the Transferor Company, immediately before the amalgamation, become the property of the Transferee Company by virtue of the amalgamation;
- ii. all the liabilities of the Transferor Company, immediately before the amalgamation, become the liabilities of the Transferee Company by virtue of the amalgamation; and
- iii. shareholders holding not less than three-fourths in value of the shares in the amalgamating company or companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company by virtue of the amalgamation.

## **9. SALIENT FEATURES OF THE SCHEME**

**9.1 Appointed Date** means means April 01, 2024, or such other date as may be approved by the National Company Law Tribunal, Hyderabad Bench, Hyderabad.

**9.2 Transfer and vesting of the Transferor Company: Clause 5 of Section 1 of Part B of the Scheme:**

**5.1** With effect from the Appointed Date and upon the Scheme becoming effective on the Effective Date, and subject to the provisions of this Scheme, the Transferor Company shall stand amalgamated with and into the Transferee Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein as detailed below.

Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the effective date, the whole of the business, personnel property, assets, investments, right, benefits and interest therein of the Transferor Company shall with effect from the Appointed Date, stand transferred to and be vested in the Transferee Company without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above and in particular, the Transferor

Company shall stand amalgamated to and be vested in the Transferee Company in the manner provided below:

- (i) all assets of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting pursuant to this Scheme, if any, shall stand vested in the Transferee Company;
- (ii) all movable properties of the Transferor Company, other than those specified in sub- clause (i) above, including but not limited to sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, cash in hand, deposits, investments (including investments in securities of other companies whether, shares, stocks, debentures units, or other similar instrument), if any, shall without any further act, instrument or deed become the property of the Transferee Company;
- (iii) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same unless otherwise stated in this Scheme;
- (iv) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses in relation to the Transferor Company, shall be in full force and effect on the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto;
- (v) any pending suit/ appeal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the

Transferor Company, shall not abate or be discontinued or in any way prejudicially affected by reason of the Amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/ or enforced by or against the Transferor Company, as if this Scheme had not been made. The Transferee Company shall file necessary application for transfer of all pending suit/ appeal or other proceedings of whatsoever nature relating to the Transferor Company;

- (vi) Employees: Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company, if any, who are in service as on the Effective Date shall become staff, workmen and employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date. The Transferee Company agrees that the services of all such employees with the Transferor Company, up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible as on the Effective Date.
- (vii) It is expressly provided that, upon the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or such other Special Fund, if any, or Trusts (hereinafter collectively referred as "Funds") created for the benefit of the staff, workmen and employees of the Transferor Company shall, with the approval of the concerned authorities, become Funds of the Transferee Company, or shall be transferred to or merged with other similar funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions

thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees will be treated as having been continuous for the purpose of the said Funds.

- (viii) all statutory licenses, permissions, approvals including but not limited to the licenses, permissions and approvals provided in Annexure 1 and Consent held by the Transferor Company required to carry on its operations shall stand transferred to and be vested in the Transferee Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Transferee Company. The benefits of all statutory licenses, permissions, approvals and consents of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme; and
- (ix) any and all registrations, goodwill, licenses appertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company.
- (x) all Taxes in relation to the Transferor Company, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Transferee Company as detailed in Clause 6 of the Scheme.

**9.3 Conduct of The Transferor Company till the Effective Date: Clause 9 of Section 1 of Part B of the Scheme:**

- 9.1 With effect from the Appointed Date and up to and including the Effective Date:

- i. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets for and on account of and in trust for the Transferee Company;
- ii. The Transferor Company hereby undertakes to hold its assets with utmost prudence until the Effective Date;
- iii. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence in the ordinary course of business and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any additional liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/ assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme with the NCLT; or (c) when a prior written consent of the Transferee Company has been obtained in this regard;
- iv. Except by mutual consent of the Board of Directors of the Transferor Company and Transferee Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the NCLT, the Transferor Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub- division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of the Transferor Company;



- v. The Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations, undertaken prior to the date of approval of the Scheme by the Board of Directors of the Transferor Company, the terms and conditions of employment of any of its employees except with the written concurrence of the Transferee Company;
  - vi. The Transferor Company shall not alter or expand its business except with the written concurrence of the Transferee Company; and
  - vii. The Transferor Company shall not amend its Memorandum and/ or its Articles, except with the written concurrence of the Transferee Company.
- 9.2 All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by it with effect from the Appointed Date shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure, as the case may be, of the Transferee Company respectively, unless otherwise provided in this Scheme.
- 9.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business of the Transferor Company.
- 9.4 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved, without following the procedure of winding up prescribed under the Insolvency and Bankruptcy Code, 2016, as may be applicable.
- 9.5 For the purpose of giving effect to the NCLT Order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of the Scheme by NCLT, the Transferee Company shall, at any time pursuant to the order on the Scheme, be entitled to get the records of the change in the legal right(s) upon the Amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act.

9.6 For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed/suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

#### **9.4 Consideration for Amalgamation: Section 2 of Part B of the Scheme:**

11. The Board of the Transferee Company shall determine the Record Date for the issue and allotment of Equity Shares to the shareholders of the Transferor Company.
12. Upon Part B of the Scheme coming into effect and in consideration of the Amalgamation including the transfer and vesting of the Transferor Company in accordance to Clause 5 with the Transferee Company pursuant to this Scheme, the Transferee Company shall, without any further application, act, instrument or deed issue and allot to each Equity Shareholder of the Transferor Company (other than the Transferee Company or its nominees or subsidiaries), whose names are registered in the Register of Members of the Transferor Company as on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or their successors in title as may be recognised by the Board of Directors of Transferor Company in the following manner:

*For every 22 (Twenty-Two) equity shares of face value of INR 10 (INR Ten only) each fully paid held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall be issued 1 (One) equity share of face value of INR 1 (INR One only) each fully paid in the Transferee Company.*

Since the Transferor Company is a subsidiary of the Transferee Company, upon the Scheme being sanctioned by the Hon'ble NCLT, all the Equity Shares, held by the Transferee Company and its nominees in the Transferor Company, shall be cancelled and extinguished. Accordingly, there will be no issuance and allotment of Equity Shares to the Transferee Company.

13. The share exchange ratio stated in Clause 12 above has been taken on record and approved by the Board of Directors of the Transferor Company and Transferee Company after taking into consideration the Joint Valuation Report dated June 26, 2024, provided by SSPA & Co., Chartered Accountants and CA Prashant Ghorela, both who are Registered Valuers issued to the Transferor Company and Transferee Company.
14. The Equity Shares in the Transferee Company to be issued to the shareholders of the Transferor Company pursuant to Clause 12 of Section 2 of Part B of this Scheme shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company. The Equity Shares of the Transferee Company issued pursuant to Clause 12 of Section 2 of Part B and in lieu of the locked-in shares of the Transferor Company, if any, will be subject to lock-in for the remaining lock-in period of such locked-in shares, in accordance with the SEBI Scheme Circular.
15. If any shareholder of the Transferor Company becomes entitled to a fractional Equity Share to be issued by the Transferee Company pursuant to Clause 12 of Section 2 of Part B of this Scheme, the Transferee Company shall not issue such

fractional Equity Share to such shareholder of the Transferor Company, but shall consolidate all such fractional entitlements and round up the aggregate of such fractions to the next whole number of all shareholders of the Transferor Company and the Board of the Transferee Company shall, without the requirement of any further act, instrument or deed, issue and allot such Equity Shares that represent the consolidated fractional entitlements to a trustee nominated by the Board of the Transferee Company ("Trustee") and the Trustee shall hold such Equity Shares, with all additions or accretions thereto, in trust for the benefit of the shareholders of the Transferor Company who are entitled to the fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Equity Shares in the market within a period of 90 (ninety) days from the date of allotment of shares and receipt of consequent listing and trading approval in respect of such shares, and on such sale, distribute to the shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Equity Shares and dividends or distributions made on such Equity Shares (after deduction of applicable Taxes and costs incurred and subject to TDS, if any). It is clarified that any such distribution shall take place only after the sale of all the Equity Shares of the Transferee Company that were issued and allotted to the Trustee pursuant to this Clause 15. The Transferee Company would within a period of 7 (Seven) days of compensating the eligible shareholders, submit to the stock exchanges a report from the Audit Committee and the independent directors stating that the eligible shareholders have been compensated. In the event of any amount remaining unpaid, the same shall, at the end of 7 (Seven) years, be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Act as amended from time to time.

16. The Equity Shares issued by the Transferee Company in terms of Clause 12 of Section 2 of Part B of the Scheme shall be issued in dematerialized form and the register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Law shall (as deemed necessary by the Board of the

Transferee Company) be updated to reflect the issue of such Equity Shares by the Transferee Company in terms of this Scheme. The shareholders of the Transferor Company who hold Equity Shares in the Transferor Company in physical form shall provide requisite details relating to his/ her/ its accounts with a depository participant to the Transferee Company prior to the Effective Date to enable the Transferee Company to issue Equity Shares in terms of Clause 12 of Section 2 of Part B of the Scheme.

However, if no such details have been provided to the Transferee Company by the relevant shareholder(s) holding Equity Shares in the Transferor Company in physical form prior to the Effective Date, the Transferee Company shall, deal with the relevant Equity Shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding Equity Shares in dematerialized form to the Trustee nominated by the Board of the Transferee Company who shall hold such Equity Shares in trust for the benefit of the relevant shareholder(s) of the Transferor Company up to a period of 7 (seven) years from the date of issuance of the Equity Shares to the trustee, whereafter, the unclaimed Equity Shares shall be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Act as amended from time to time.

17. Upon Part B of this Scheme coming into effect on the Effective Date and upon the Equity Shares of the Transferee Company being issued and allotted by it to the equity shareholders of Transferor Company in terms of Clause 12 of Section 2 of Part B of this Scheme, the Equity Shares of the Transferor Company, shall be deemed to have been automatically cancelled, and any liability in respect of the same shall stand extinguished.
18. The Equity Shares allotted and issued in terms of Clause 12 of Section 2 of Part B of the Scheme, shall be listed and/ or admitted to trading on the Stock Exchanges, where the Equity Shares of the Transferee Company are listed and/ or admitted to trading. The Transferee Company shall make all requisite applications and take all steps to list the Equity Shares issued and allotted

pursuant to Clause 12, listed on the Stock Exchanges and obtain the final listing and trading permissions for such Equity Shares.

19. The Equity Shares issued and allotted in terms of Clause 12 of Section 2 of Part B of the Scheme, shall remain frozen in the depository system till listing/trading permission is given by the Stock Exchange with respect to such Equity Shares.
20. On the approval of this Scheme by the Board and members of each of the Transferor Company and the Transferee Company pursuant to Sections 230 to 232 of the Act and other relevant provisions of the Act, if applicable, it shall be deemed that the Board and members of each of the Transferee Company and Transferor Company have also accorded their consent under Sections 13, 42, 61, 62(1) and 64 of the Act and/ or any other applicable provisions of the Act and the relevant provisions of the Articles, as may be applicable, for the aforesaid issuance of Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company and amendment of the Memorandum of the Transferee Company for reclassification and enhancement of the authorised share capital of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61, 62(1)(c) or 64 of the Act and/ or any other applicable provisions of the Act. Upon Part B of this Scheme coming into effect on the Effective Date, the Transferee Company shall, if required, file all necessary documents/intimations as per the provisions of the Act with the RoC ("Registrar of Companies") or any other applicable Governmental Authority to record the Amalgamation of the Transferor Company with and into the Transferee Company, issuance of Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company, amendment of the Memorandum of the Transferee Company and dissolution of the Transferor Company, in the manner set out in Section 1 of Part C of this Scheme.
21. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the

Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company.

The Equity Shares to be issued by the Transferee Company pursuant to this Scheme in respect of any Equity Shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise pending allotment or settlement of dispute by order of Court or otherwise, shall be held in abeyance by the Transferee Company.

In the event, the Transferee Company and/ or the Transferor Company restructure their share capital by way of share split/ consolidation/ issue of bonus shares etc. during the pendency of the Scheme, the share exchange ratio, as per Clause 12 of the Scheme, shall be adjusted accordingly, to consider the effect of any such corporate actions.

The Equity Shares to be issued by the Transferee Company, pursuant to the Scheme, to the shareholders of the Transferor Company whose Equity Shares are held in the unclaimed suspense account, if any, shall be credited to a new unclaimed suspense account created for shareholders of the Transferee Company.

#### **9.5 Transfer of the Authorized Share Capital and Amendment to the Memorandum of the Transferee Company: Clause 26 of Part D of the Scheme**

- (a) As an integral part of this Scheme and upon Part B of the Scheme coming into effect on the Effective Date, the authorised share capital of the Transferor Company, comprised of INR 110,000,000 (INR Eleven Crores only) of equity

share capital, divided into 11,000,000 (One Crore Ten Lakhs) Equity Shares of face value of INR 10 (INR Ten only) each shall stand reclassified entirely as INR 110,000,000 (INR Eleven Crores only) of equity share capital, divided into 110,000,000 (Eleven Crore) Equity Shares of face value of INR 1 (INR One) each, and shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company.

- (b) As a consequence, the authorised share capital of the Transferee Company as set out in Clause 4.2 of Part A of this Scheme shall stand enhanced to INR 230,500,000 (INR Twenty Three Crore and Five Lakhs only) divided into 230,500,000 (Twenty Three Crore and Five Lakhs) Equity Shares of face value of INR 1 (INR One) each without the requirement of any further act, instrument or deed on part of the Transferee Company including payment of stamp duty and fees payable to the relevant RoC. For this purpose, the filing fees and stamp duty already paid by Transferor Company and Transferee Company towards their respective authorized share capital shall be utilized and applied to and set off against any fees payable on the increased authorized share capital of Transferee Company and shall be deemed to have been so paid by Transferee Company on such combined authorized share capital and accordingly, Transferee Company shall not be required to pay any fees/ stamp duty on the authorized share capital so increased. However, for any additional increase in the authorized share capital as required, necessary differential fees as per the provisions of the Act and stamp duty would be required to be paid.
- (c) Subsequent to the reclassification and enhancement of the authorised share capital of the Transferee Company as contemplated in this Clause 26, the authorised share capital clause of the Memorandum (Clause V) of the Transferee Company shall stand modified and read as follows:

*"The Authorised Share Capital of the Company is INR 230,500,000 (Indian Rupees Twenty Three Crore and Five Lakhs only) divided into 230,500,000 (Twenty Three Crore and Five Lakhs) Equity Shares of face value INR 1 (Indian Rupees One only) amounting to INR 230,500,000 (Indian Rupees Twenty Three Crore and Five Lakhs*



*only) with a power to increase or reduce the capital of the Company in accordance with the provisions of the Companies Act, 2013 and to classify or reclassify the Share Capital."*

- (d) For the avoidance of doubt, it is clarified that, in case, the authorised share capital of the Transferor Company and/ or the Transferee Company, as the case may be, undergoes any change, prior to Part B of this Scheme coming into effect on the Effective Date, then this Clause 26 of Part D of this Scheme shall automatically stand modified/ adjusted accordingly to take into account the effect of such change.
- (e) On the approval of this Scheme by the Board and the members of the Transferor Company and Transferee Company pursuant to Sections 230 to 232 of the Act and other relevant provisions of the Act and the rules made thereunder, the SEBI Scheme Circular and the SEBI LODR Regulations, if applicable, it shall be deemed that the Board and the members of the Transferor Company and Transferee Company have also accorded their consent under Sections 13, 61 and 64 of the Act and/ or any other applicable provisions of the Act and the rules made thereunder, the relevant provisions of the SEBI LODR Regulations and the Articles, as may be applicable, for effecting the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferor Company and/ or the Transferee Company under Sections 13, 61 or 64 of the Act and/ or any other applicable provisions of the Act and the rules made thereunder, the relevant provisions of the SEBI LODR Regulations and/ or the Articles. Upon Part B of this Scheme coming into effect on the Effective Date, the Transferee Company shall, if required, file all necessary documents/ intimations as per the provisions of the Act and the rules made thereunder with RoC or any other applicable Governmental Authority in respect of the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, in the manner contemplated under this Clause 26 of Part D of this Scheme.

**9.6 Modifications/ Amendments to the Scheme: Clause 33 of Part D of the Scheme:**

The Transferor Company and Transferee Company will be at liberty to apply to the respective Tribunal from time to time for necessary directions in matters relating to this Scheme or any terms hereof, in terms of the Act and the rules made thereunder.

Subject to the provisions of the SEBI Scheme Circular, the Transferee Company and the Transferor Company may, by mutual written consent and acting through their respective Boards (which shall include any committee constituted by the respective boards), assent to any modifications/ amendments to this Scheme and/ or to any conditions or limitations that the Tribunal or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The consent accorded by the shareholders to this Scheme shall be deemed and treated as their consent for modification, if any, of the Scheme in any manner and no further or separate consent shall be required to carry out such modification.

**9.7 Dissolution of the Transferor Company: Clause 22 and 23 of Section 1 of Part C of the Scheme:**

- 22** Upon Part B of this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, subject to Clause 32 of Part D, the Transferor Company shall, without the requirement of any further act, instrument or deed, shall stand dissolved without winding up pursuant to the NCLT Order.
- 23** On and from the Effective Date, subject to Clause 32 of Part D: (i) the Board of the Transferor Company, shall, without the requirement of any further acts, resolutions, filings, instruments, or deeds, cease to exist and stand dissolved; and (ii) the name of the Transferor Company shall be struck off from the records of the Registrar of Companies.

## **9.8 Effect of Non-Receipt of Approvals: Clause 37 of Part D of the Scheme:**

**37.1** In the event that the Scheme is not sanctioned by the NCLT or in the event that any of the consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, the Transferee Company shall bear the costs, charges and expenses in connection with the Scheme.

**37.2** The non - receipt of any sanctions or approvals for a particular asset or liability forming part of the Transferor Company getting transferred pursuant to this Scheme shall not affect the effectiveness of the respective Section of the Scheme if the Boards of Directors of the Transferor Company and/ or Transferee Company so decide. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received, and the provisions of the Scheme shall apply appropriately to the said transfer.

**Note: You are requested to read the entire text of the Scheme to be fully acquainted with the provisions thereof. Aforesaid are only some of the key provisions of the Scheme.**

## **10. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME:**

The Transferor Company is a subsidiary of the Transferee Company. The Transferee Company holds 62.14% stake in the Transferor Company as on June 26, 2024, i.e., the date of the approval of Scheme of Amalgamation by the Board of Directors of the Applicant Companies.

## **11. CAPITAL/ DEBT RESTRUCTURING:**

There is no capital/ debt restructuring envisaged in the Scheme.

## 12. PRE AND POST AMALGAMATION CAPITAL STRUCTURE:

- a. The pre-Scheme capital structure of the Company and the Transferor Company is given in Paragraphs 6.5 and 6.14 above. Pursuant to the Scheme, there will be no change in the post Scheme share capital structure of the Company.
- b. The post amalgamation capital structure of the Transferee Company is as follows:

Particulars	Amount in INR
<b>Authorized Share Capital*:</b>	
INR 23,05,00,000 (Indian Rupees Twenty-Three Crore and Five Lakhs Only) divided into 23,05,00,000 (Twenty-Three Crore and Five Lakhs) Equity Shares of face value INR 1 (Indian Rupees One Only) amounting to INR 23,05,00,000 (Indian Rupees Twenty-Three Crores and Five Lakhs only)	INR 23,05,00,000
<b>TOTAL</b>	<b>INR 23,05,00,000*</b>
<b>Issued, subscribed and paid-up share capital</b>	
INR 10,28,08,070 (Indian Rupees Ten Crores Twenty-Eight Lakhs Eight Thousand Seventy only) Equity Shares of INR 1 (INR One) each	INR 10,28,08,070
<b>TOTAL</b>	<b>INR 10,28,08,070</b>

\*Note: The authorized share capital of the Transferee Company shall be increased to the extent of the authorized share capital of the Transferor Company.

## 13. EFFECT OF SCHEME ON STAKEHOLDERS:

The Scheme of Amalgamation, if approved by the appropriate authorities and the Tribunal, shall not have any adverse impact or effect on the Directors, Key managerial personnel's Promoters, Non-Promoter Members, Creditors, whether secured or unsecured, employees of Transferee or Transferor Company. The Applicant Companies does not have any Depositors or Debenture Holders. A report adopted by the respective Board of Directors of the Transferee and Transferor Company, explaining the effect of

Scheme on promoters and non-promoter Shareholders, and others is enclosed to this Notice.

**14. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP'S), THEIR RELATIVES AND DEBENTURE TRUSTEE:**

- a. None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme.
- b. None of the Directors, KMPs (as defined under the Act and rules framed thereunder), as applicable, of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder), has any interest in the Scheme except to the extent of their shareholding in the Transferor Company, if any. Save as aforesaid, none of the said Directors or the KMP's or their respective relatives has any material interest in the Scheme.
- c. The Applicant Companies do not have any Depositors or Debenture Holders, hence the question of disclosure of interest of Depositors or Debenture Trustee does not arise.
- d. Details of the present Directors and KMP of the Transferee Company and their respective shareholding in Transferor and Transferee Company as on date of this Notice is as follows:

Name of the Directors/ KMP	Designation	Shares in Transferor Company	Shares in Transferee Company
Dr. Sura Surendranath Reddy	Executive Director - Chairman	0	3,31,66,309
Sunil Chandra	Executive Director	0	81,86,388

Kondapally			
Sura Suprita Reddy	Managing Director & Chief Executive Officer	0	89,71,660
Sura Geeta Reddy	Non-executive Director	0	40,58,638
Shekhar Prasad Singh	Independent Director	0	0
Satyanarayana Murthy Chavali	Independent Director	0	0
Dr. Manjula Anagani	Independent Director	0	0
Dr. Duvvur Nageshwar Reddy	Independent Director	0	0
Narasimha Raju K A	Chief Financial Officer	0	0
Hansraj Singh	Company Secretary & Compliance Officer	0	0

- e. Details of the present Directors and KMP of the Transferor Company and their respective shareholding in Transferor and Transferee Company as on date of this Notice is as follows:

Name of Directors/ KMP	Designation	Shares in Transferor Company	Shares in Transferee Company
Dr. Sura Surendranath Reddy	Non-executive Director - Chairman	0	3,31,66,309
Sunil Chandra Kondapally	Managing Director	0	81,86,388
B Vishnu Priya Reddy	Non-executive Director	0	27,922
P. Kamalakar Rao	Independent Director	0	0
Ravikumar Reddy Kanamatareddy	Independent Director	0	0
Satish Bollineni	Chief Financial Officer	0	0
Hansraj Singh	Company Secretary & Compliance Officer	0	0

15. The rights and interests of creditors of the Applicant Companies will not be prejudicially affected by the Scheme as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner and post the Scheme, the Transferee Company will be able to meet its liabilities as they arise in the ordinary course of business.
16. There is no winding up proceedings pending against any of the Applicant Companies as on date.
17. No inquiry or investigation under Sections 235 to 251 of the Companies Act, 1956, or under Section 210 to 227 of Companies Act, 2013, is pending against any of the Applicant Companies.
18. The financial position of the Transferee Company will not be adversely affected by the Scheme.
19. The Scheme of Amalgamation requires the approval/ sanction/ no objection from the following regulatory and government authorities:
  - a. Registrar of Companies
  - b. Regional Director
  - c. Official Liquidator
  - d. National Company Law Tribunal
  - e. Stock Exchanges and SEBI
20. The Applicant Companies are yet to obtain the sanction of Registrar of Companies, Regional Director, and the National Company Law Tribunal, Bench at Hyderabad. The approval of the aforesaid authorities will be obtained at appropriate time.
21. Inspection and/ or extract by the Equity Shareholders of the Transferor Company, of the following documents shall be allowed at the Registered Office of the Company on all working days (except on Sundays and Public holidays) till the date of this Meeting.
  - a. Joint Company Application No. CA (CAA) NO. 10/230/HDB/2025 filed by the Applicant Companies with the NCLT.

- b. Certified True Copy of the order dated March 5, 2025 passed by the NCLT in the CA (CAA) NO. 10/230/HDB/2025.
- c. Resolution passed by the Board of Directors of Applicant Companies approving the Scheme of Amalgamation at their respective Meetings held on June 26, 2024.
- d. Scheme of Amalgamation between Medinova Diagnostic Services Limited (Transferor Company) and Vijaya Diagnostic Centre Limited (Transferee Company) and their respective Shareholders and Creditors.
- e. A certificate issued by the respective Statutory Auditors of the Applicant Companies to the effect that the Accounting Treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- f. Memorandum and Articles of Association of the Applicant Companies.
- g. A Certified True Copy of the Audited Financial Statements as on March 31, 2024, and Unaudited Standalone and Consolidated Financial Results for the Quarter ended September 30, 2024 along with Limited Review Report of the Transferee Company.
- h. A Certified True Copy of the Audited Financial Statements as on March 31, 2024, and Unaudited Financial Results for the quarter ended September 30, 2024 along with Limited Review Report of the Transferor Company.
- i. Report of the Board of Directors of the Transferor and Transferee Company, pursuant to Section 232(2)(c) of the Act.
- j. Complaint report dated June 26, 2024, submitted by Transferee Company to BSE Limited and National Stock Exchange of India Limited and Transferor Company to BSE Limited respectively.



- k. A copy of Observation Letters received from BSE Limited and National Stock Exchange of India Limited.
22. The Scheme of Amalgamation, subject to any modification(s) approved or imposed or directed by the NCLT, unless otherwise specified in the Scheme, shall be effective and operative from the Appointed Date, i.e., April 01, 2024, upon receipt of Certified True Copy of the Order of the National Company Law Tribunal, Hyderabad Bench.
23. The Transferor Company has received the Observation Letter from BSE Limited and the Transferee Company has received the Observation Letter from BSE Limited and National Stock Exchange of India Limited, wherein the respective Stock Exchanges has granted it's no objection to filing the Scheme with the Hon'ble NCLT. The BSE Limited and National Stock Exchange of India Limited vide its Observation Letter dated December 05, 2024, and December 06, 2024, respectively have conveyed that it has no adverse observations and has no objection to the Scheme being filed with the jurisdictional NCLT.
24. Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Equity Shareholders.
25. A copy of the Notice along with Explanatory Statement may be obtained from the Registered Office of the Company.
26. **OTHER ADDITIONAL INFORMATION AS MANDATED BY THE STOCK EXCHANGES**

26.1. The details of (pre and post Scheme) assets & liabilities of Transferee Company and Transferor Company, as applicable.

(All amounts are in INR Lakhs)

Sl. No.	Particulars	Pre-Merger		Post-Merger*
		MDSL	VDCL	VDCL

Sl. No.	Particulars	Pre-Merger		Post-Merger*
		MDSL	VDCL	VDCL
<b>A.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	Property, plant and equipment	97.97	35,276.27	36,471.36
	Capital Work in Progress	-	820.26	820.26
	Right-of-use assets	-	21,504.72	21,504.72
	Investment Property	-	1,097.12	-
	Intangible assets	3.64	364.47	368.11
	Intangible assets under development	-	42.48	42.48
	<b>Financial assets</b>			
	(i) Investments	296.82	14,450.35	14,336.11
	(ii) Loans	-	1,286.00	786.00
	(iii) Other Financial assets	25.27	938.26	963.53
	Deferred Tax assets (net)	50.13	196.69	246.82
	Other tax assets (net)	11.89	3.73	15.62
	Other non-current assets	-	618.73	618.73
	<b>Total non-current assets</b>	<b>485.72</b>	<b>76,599.08</b>	<b>76,173.74</b>
	<b>Current assets</b>			
	Inventories	10.22	440.53	450.75
	<b>Financial assets</b>			
	(i) Investments	-	10,912.98	10912.98
	(ii) Trade receivables	37.23	1,283.95	1,314.11
	(iii) Cash and cash equivalents	61.2	1,556.38	1617.58
	(iv) Other bank balances	-	4,644.91	4644.91
	(v) Other financial assets	0.76	339.7	327.79
	Other current assets	6.03	436.23	442.26
	<b>Total current assets</b>	<b>115.44</b>	<b>19,614.68</b>	<b>19,710.38</b>
	<b>TOTAL ASSETS</b>	<b>601.16</b>	<b>96,213.76</b>	<b>95,884.12</b>
<b>B.</b>	<b>EQUITY AND LIABILITIES</b>			

Sl. No.	Particulars	Pre-Merger		Post-Merger*
		MDSL	VDCL	VDCL
	<b>Shareholders' funds</b>			
	Equity share capital	995.68	1,023.46	1,025.18
	Other equity	(1,202.28)	64,308.65	63,878.23
	<b>Total Shareholders' funds</b>	<b>(206.60)</b>	<b>65,332.11</b>	<b>64,903.41</b>
	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	<b>Financial liabilities</b>			
	(i) Borrowings	500.00	-	-
	(ii) Lease liabilities	-	23,267.78	23,267.78
	(iii) Others financial liabilities			
	Provisions	22.19	978.81	1,001.00
	Deferred tax liabilities (net)	-	-	-
	Other non-current liabilities	-	34.17	34.17
	<b>Total non-current liabilities</b>	<b>522.19</b>	<b>24,280.76</b>	<b>24,302.95</b>
	<b>Current liabilities</b>			
	<b>Financial liabilities</b>			
	(i) Borrowings	-	-	-
	(ii) Lease liabilities	-	1,751.35	1,751.35
	(iii) Trade payables			
	a) total outstanding dues of micro enterprises and small enterprises	3.03	56.75	59.78
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	228.79	3,004.21	3,036.97
	(iv) Other financial liabilities	32.77	1,057.20	1,077.30
	<b>Other current liabilities</b>	5.92	375.37	381.29
	<b>Provisions</b>	13.16	257.33	270.49
	<b>Current tax liabilities (net)</b>	1.9	98.68	100.58

Sl. No.	Particulars	Pre-Merger		Post-Merger*
		MDSL	VDCL	VDCL
	<b>Total current liabilities</b>	<b>285.57</b>	<b>6,600.89</b>	<b>6,677.76</b>
	<b>TOTAL LIABILITIES</b>	<b>807.76</b>	<b>30,881.65</b>	<b>30,980.71</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>601.16</b>	<b>96,213.76</b>	<b>95,884.12</b>

\*Note: Post Scheme assets and liabilities of the Transferor Company is not provided as the Transferor Company would be dissolved without winding up pursuant to the Tribunal's Order.

## 26.2. Valuation methods, rationale, assumptions considered for arriving at the share entitlement ratio.

The registered valuers SSPA & Co. Chartered Accountants and CA Prashant Ghorela (collectively referred to as "**Joint Valuers**") in their Joint Valuation Report dated June 26, 2024, have adopted a combination of Discounted Cash Flows Method under Income Approach and Market Price Method and Comparable Companies Multiple Method under Market Approach and have recommended the share entitlement ratio as follows:

*For every 22 (Twenty-Two) equity shares of face value of INR 10 (INR Ten only) each fully paid held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall be issued 1 (One) equity share of face value of INR 1 (INR One only) each fully paid in the Transferee Company.*

## 26.3. Impact of the Scheme on revenue generating capacity of Company.

The proposal of Scheme of Amalgamation is expected to impact the growth in revenue from operations, increase in EBITDA and PAT margins, expected revenue synergies from the combination of similar business of Transferor Company and Transferee Company and the efficient deployment of resources and economies of scale.

#### 26.4. Rationale & Synergies of the Scheme and its impact on the public shareholders

##### Rationale & Synergies of the Scheme

The rationale and benefits arising out of the Scheme to the shareholders is mentioned in Clause 7 of this Explanatory Statement.

##### Impact on the public shareholders

As provided in the independent director's report dated June 26, 2024, submitted vide Annexure 4, the proposed Scheme of Amalgamation amongst Medinova Diagnostic Services Limited ("**Transferor Company**"), Vijaya Diagnostic Centre Limited ("**Transferee Company**") and their respective Shareholders and Creditors ("**Scheme**") will result in synergies between the businesses of the Transferor Company and the Transferee Company, including revenue synergies through sharing of consumer understanding and market insights and channel models to ensure faster reach to the market and to achieve faster growth.

There will be strong synergies in the proposed amalgamation contemplated in the Scheme, the merged company will be better positioned to carry on the combined businesses of the Transferor Company and the Transferee Company, financially and otherwise.

Therefore, considering the above, the Scheme will be beneficial to the public shareholders of the Transferor Company and Transferee Company.

#### 26.5. Impact of liabilities of Transferor Company on the business of Transferee Company post scheme of arrangement, as provided vide Transferee Company's letter dated November 01, 2024.

All the liabilities whether provided for or not in the books of accounts of Transferor Company shall be the liabilities of Transferee Company and hence there is an increase in the financial burden of INR 8,08,00,000/- (INR Eight Crore

Eight Lakhs only) to Transferee Company in monetary terms but the same constitutes only 2.55% of the total liabilities of the merged entity which is INR 316,89,00,000/- (Indian Rupees Three Hundred and Sixteen Crores Eighty Nine Lakhs Crore only). Considering the business of Transferee Company, we do not foresee any default in Meeting such obligation of Transferor Company by Transferee Company.

26.6. Details of complaints received, if any, along with response of the Company for resolution of complaints

No complaints have been received by the Transferor Company and Transferee Company and hence this clause is not applicable.

26.7. The number of shareholders who would be affected due to the fractional entitlement as per the draft scheme of arrangement.

The fractional entitlement of the Equity Shares to the shareholders shall be in accordance with the para 15 of Section 2 of Part B of the Scheme.

26.8. The proposal of scheme of arrangement shall be considered as approved only if the votes cast by public shareholders in favour of the proposal is more than the number of votes cast by the public shareholders against it.

Please note that this condition will be complied with as part of the process.


**Sd/-**  
**Syeda Adiba Fatima**  
**Advocate**  
**Chairperson**  
**Tribunal Convened Meeting**  
**of Equity Shareholders of Medinova Diagnostic Services Limited**

**Date: March 25, 2025**

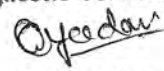
**Place: Hyderabad**

**SCHEME OF AMALGAMATION****OF****MEDINOVA DIAGNOSTIC SERVICES LIMITED  
(TRANSFEROR COMPANY)****WITH****VIJAYA DIAGNOSTIC CENTRE LIMITED  
(TRANSFeree COMPANY)****AND****THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS****(Under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and  
rules framed thereunder)**

For VIJAYA DIAGNOSTIC CENTRE LIMITED

  
Authorized Signatory

for Medinova Diagnostic Services Ltd

  
Authorized Signatory

**I. PREAMBLE**

This Scheme (*as defined hereinafter*) of Amalgamation (*as defined hereinafter*) is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, read with the relevant rules and regulations made thereunder including any statutory modifications or re-enactments made thereunder and amendments thereof for the scheme, the relevant provisions of the SEBI Scheme Circular (*as defined hereinafter*), and the relevant provisions of the SEBI LODR Regulations (*as defined hereinafter*) for:

- a. the Amalgamation of the Transferor Company (*as defined hereinafter*) with and into the Transferee Company (*as defined hereinafter*) on a going concern basis in accordance with Section 2(1B) of the Income-tax Act, 1961 and the consequent issuance of Equity Shares by the Transferee Company to the shareholders of the Transferor Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the SEBI Scheme Circular; and
- b. various other matters incidental, consequential or otherwise integrally connected therewith.

**II. DESCRIPTION OF THE COMPANIES**

1. **MEDINOVA DIAGNOSTIC SERVICES LIMITED** (hereinafter referred to as the “**Transferor Company**”), is a public company incorporated under the Companies Act, 1956 with Corporate Identification Number (“CIN”) L85110TG1993PLC015481 with its registered office at H. No. 7-1-58, Unit No. 1/ Flat No.301, 3rd Floor Amrutha Business Complex, Ameerpet, Hyderabad – 500016, Telangana, India. The Transferor Company was incorporated on March 11, 1993. The Transferor Company is engaged in the business of providing a comprehensive range of diagnostic services, spanning pathological investigations, radiology and imaging, conventional, specialized lab services and diagnostic cardiology. The Equity Shares of the Transferor Company are listed and traded on the BSE Limited (“BSE”) bearing ISIN: INE047C01019 and Scrip Code: 526301.
2. **VIJAYA DIAGNOSTIC CENTRE LIMITED** (hereinafter referred to as the “**Transferee Company**”), is a public company incorporated under the Companies Act, 1956 with CIN L85195TG2002PLC039075 with its registered office at No.6-3-883/ F, FPA Building, Near Topaz building, Punjagutta, Hyderabad – 500082, Telangana, India. The Transferee Company was incorporated on June 5, 2002. The Transferee Company is engaged in the business of providing a comprehensive range of diagnostic services, spanning pathological investigations, basic and high-end radiology, nuclear medicine and related healthcare services. The Equity Shares of the Transferee Company are listed and traded on BSE bearing ISIN: INE043W01024 and Scrip Code: 543350 and the National Stock Exchange of India Limited (“NSE”) bearing Symbol: VIJAYA.

**III. RATIONALE OF THE SCHEME**

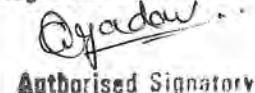
3. With a view to consolidate the business and other interests of the Transferee Company and the Transferor Company, the Transferee Company and Transferor Company have decided that the

For VIJAYA DIAGNOSTIC CENTRE LIMITED



Authorized Signatory

For Medinova Diagnostic Services Ltd.



Authorized Signatory



Transferor Company with all its business and other interests, be amalgamated with and into the Transferee Company.

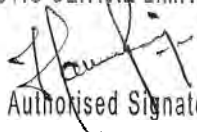
4. The Transferor Company and Transferee Company are of the view that the proposed Amalgamation of the Transferor Company with and into the Transferee Company would, inter alia, have the following benefits:
- Both the Transferor Company and Transferee Company are engaged in the business of providing diagnostic services. The proposed Amalgamation will enable the Transferor Company and the Transferee Company to combine their businesses and create synergies between their businesses, including revenue synergies through sharing of consumer understanding, market insights and channel models to ensure faster reach to the market and to achieve faster growth;
  - Cost savings are expected to flow from more focused operational efforts and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool, human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses;
  - Greater efficiency in cash management of the Transferee Company, pooling of cash resources and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to maximize shareholder value;
  - The proposed Amalgamation will not adversely impact and is expected to create enhanced value for the stakeholders of the Transferor Company and the Transferee Company; and
  - Simplification of overall group structure and creating efficiencies through Amalgamation.

#### IV. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

<b>Part A</b>	Deals with definitions of the terms used in this Scheme, the interpretation provisions of the scheme and sets out the details of the share capital of Transferor Company and Transferee Company
<b>Part B</b>	Deals with Amalgamation of Transferor Company with the Transferee Company in accordance with Section 2(1B) of the Income-tax Act, 1961 and Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and rules made thereunder, and the relevant provisions of the SEBI Scheme Circular and the SEBI LODR Regulations and listing of Equity Shares of the Transferee Company that are issued pursuant to the Scheme

For VIJAYA DIAGNOSTIC CENTRE LIMITED

  
Authorized Signatory

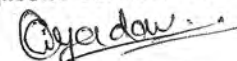
For Medinova Diagnostic Services Ltd.  
  
Authorized Signatory

<b>Part C</b>	The dissolution of the Transferor Company and the accounting treatment for the Scheme
<b>Part D</b>	Deals with general terms and conditions that will be applicable to the entire Scheme including, inter alia, the combination of the authorized share capital of the Transferor Company with that of the Transferee Company and the conditions precedent to effectiveness of the Scheme

For VIJAYA DIAGNOSTIC CENTRE LIMITED

  
Authorized Signatory

for Medinava Diagnostic Services Ltd.

  
Authorized Signatory

**PART A**  
**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1 **"Act"** means the (Indian) Companies Act, 2013 and any rules, regulations, circulars, notifications, clarifications or guidelines issued thereunder or applicable provisions of the erstwhile Companies Act, 1956 (*as the case may be*) including any statutory modifications, reenactment or amendment thereof;
- 1.2 **"Amalgamation"** means amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Act and applicable provisions of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other relevant rules and regulations, and Section 2(1B) and other relevant provisions of the Income-tax Act, 1961;
- 1.3 **"Applicable Law"** includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, approvals, bye-laws, regulations, notifications, guidelines, ordinance, policies, directions, directives, circulars, notifications and orders promulgated by a Governmental Authority (or any sub-division thereof), statutory authority, tribunal (including the Tribunals), board, court or Stock Exchanges, which are in force and binding at the relevant time, and as may be applicable;
- 1.4 **"Appointed Date"** means April 01, 2024 or such other date as may be approved by the National Company Law Tribunal, Hyderabad Bench, Hyderabad;
- 1.5 **"Articles"** means the Articles of Association of the said company;
- 1.6 **"Board of Directors" or "Board"** in relation to any company, means the board of directors of such company and shall, unless repugnant to the context thereof, include a committee of directors duly authorized by such board of directors;
- 1.7 **"Clause"** means a clause of this Scheme;
- 1.8 **"Consent"** means any notice, consent, approval, permission, authorisation, waiver, permit, clearance, no objection, license, exemption, of, from or to any Person;
- 1.9 **"Contract"** means any agreement(s), contract(s), sub-contract(s), arrangement(s), memoranda of undertaking(s), guarantee(s) and indemnity(ies), memoranda(s) of agreement, expression(s) of interest, bid(s), letter(s) of intent, letter(s) of agreed points, instrument(s), understanding(s), commitment(s), purchase order(s) work order(s), deed(s), bond(s), warranty(ies), insurance(s),

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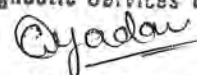
lease(s), license(s), tender(s), undertaking(s) or commitment(s) of any nature (whether or not the same is absolute, revocable, contingent, conditional, binding or otherwise (whether written or otherwise), including all amendment(s) and modification(s) thereto), to which the Transferor Company is a party or by which any of the assets held by the Transferor Company are bound;

- 1.10 **"Effective Date"** means the date on which the Scheme shall become effective pursuant to Clause 29 of the Scheme. Any references in this Scheme to *"upon this Scheme becoming effective"* means and refers to the Effective Date.
- 1.11 **"Equity Shares"** with respect to a company, mean the fully paid-up equity shares of such company;
- 1.12 **"ESOP"** means employee stock options;
- 1.13 **"Governmental Authority"** means any supranational, national, state, municipal or local government authority (including any subdivision, court, administrative or regulatory agency or commission or other authority thereof), quasi government authority, statutory authority, regulatory authority, agency, government department, board, commission, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof, over the Transferor Company and/ or the Transferee Company, including the SEBI and the Stock Exchanges;
- 1.14 **"Income Tax Act"** means the (Indian) Income-tax Act, 1961, together with all applicable by-laws, rules, regulations, circulars, notifications, orders, ordinances, policies, directions and similar Applicable Law or supplements issued thereunder;
- 1.15 **"Memorandum"** means the Memorandum of Association of the said company;
- 1.16 **"NCLT" or "Tribunal"** means the National Company Law Tribunal, Hyderabad bench having jurisdiction over the registered offices of Transferor Company and Transferee Company and shall include, if applicable, such other forum or authority as may be vested with the powers of the NCLT under the Act;
- 1.17 **"NCLT Order"** means the order of the Tribunal approving the Scheme;
- 1.18 **"Person"** means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association (including unincorporated association), organization, partnership or proprietorship, body corporate, corporation (including any non-profit corporation), estate, society, firm, or any other enterprise or other entity, including any governmental agency or regulatory body, in each case, whether or not having separate legal personality and whether acting in an individual, fiduciary or other capacity;
- 1.19 **"Record Date"** shall mean the date fixed by the Board of the Transferee Company in

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consultation with the Transferor Company for the purpose of determining the shareholders of the Transferor Company to whom the Equity Shares of the Transferee Company would be issued pursuant to Clause 12 of Section 2 of Part B of this Scheme;

- 1.20 **"Registered Valuer"** means a Person registered as a valuer in terms of Section 247 of the Act;
- 1.21 **"RoC"** means the Registrar of Companies, Hyderabad, having jurisdiction over the Transferee Company and Transferor Company;
- 1.22 **"Scheme"** means this scheme of Amalgamation between the Transferor Company and Transferee Company and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, and rules made thereunder;
- 1.23 **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992, as amended from time to time;
- 1.24 **"SEBI LODR Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 1.25 **"SEBI Scheme Circular"** means the Master Circular number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by SEBI on scheme of arrangement by listed entities and any other related circular(s) issued by SEBI, as in effect from time to time;
- 1.26 **"Stock Exchanges"** means the stock exchange(s) where the Equity Shares of the Transferor Company and the Transferee Company are listed and are admitted to trading, viz, BSE and/ or NSE;
- 1.27 **"Tax" or "Taxes"** means and includes all taxes on income, profit, sales, use, goods, services, asset, capital gains, fringe benefit, gift, gratuity, provident fund, Minimum Alternate Tax ("MAT"), buyback distribution tax, securities transaction tax, dividend distribution tax, Tax Deducted At Source ("TDS"), Tax Collected At Source ("TCS"), equalization levy, property tax, value-added tax, sales tax, transfer taxes, Goods and Services Tax ("GST"), duties of customs and excise, octroi duty, wealth tax, entry tax, stamp duty, customs and similar charges of any jurisdiction, and other governmental charges or duties, levies, imposts or other taxes whether direct or indirect, whether central, state or local, including any surcharge or cess (including education cess, health and education cess, secondary and higher education cess) thereon, together with any interest, penalties, additions to tax or additional amount with respect thereto; including payable in a representative capacity;
- 1.28 **"Transferee Company"** shall have the meaning ascribed to it in the preamble with all its undertakings and business, as a going concern, and shall include (without limitation):
- a. all the assets and properties (whether moveable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent), including but not limited to manufacturing facilities, laboratories, land,

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(whether leasehold or freehold), processing plants, plant and machinery, computers, equipment, building and structures, offices, residential and other premises, diesel generator sets, stock-in-trade, packing materials, raw materials, tablets, capsules, vials, ointments, active pharmaceutical ingredients and drugs intermediaries, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, subsidiaries, stocks, bonds, debenture stocks, units or pass through certificates) including shares or other securities, cash balances or deposits with banks, cheques on hand, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, tenancies or license in relation to the office and /or residential properties (including for the employees or other persons), guest houses, go downs, warehouses, licenses, fixed and other assets, intangible assets, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), employee benefit plan, export incentives accrued, derivative instruments, forward contracts, insurance claims receivable, tax related assets, including but not limited to goods and service tax input credits, value added/ sales tax/ entry tax credits or set-offs, advance tax, tax deducted at source, tax refunds and minimum alternate tax credit, tax holiday benefit, incentives, tax losses, rights, easements, privileges, liberties and advantages of whatsoever nature and wherever situated;

- b. all permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto;
- c. all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/ panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier /manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of

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whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;

- d. all applications, including hardware, software, licenses, source codes (including any copies thereof), scripts, registrations, goodwill, licenses, trademarks, trade names, service marks, copyrights, patents, patent rights, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and rights of any description and nature whatsoever;
- e. all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated;
- f. all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form;
- g. investments in shares, debentures and other securities;
- h. all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized;
- i. all permanent and temporary employees employed/ engaged in and relatable to the business as on the Effective Date; and
- j. all legal or other proceedings of whatsoever nature.

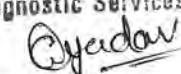
1.29 **"Transferor Company"** shall have the meaning ascribed to it in the preamble with all its undertakings and business, as a going concern, and shall include (without limitation):

- a. all the assets and properties (whether moveable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent), including but not limited to manufacturing facilities, laboratories, land, (whether leasehold or freehold), processing plants, plant and machinery, computers, equipment, building and structures, offices, residential and other premises, diesel generator sets, stock-in-trade, packing materials, raw materials, tablets, capsules, vials,

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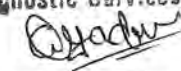
ointments, active pharmaceutical ingredients and drugs intermediaries, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, subsidiaries, stocks, bonds, debenture stocks, units or pass through certificates) including shares or other securities, cash balances or deposits with banks, cheques on hand, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, tenancies or license in relation to the office and /or residential properties (including for the employees or other persons), guest houses, go downs, warehouses, licenses, fixed and other assets, intangible assets, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), employee benefit plan, export incentives accrued, derivative instruments, forward contracts, insurance claims receivable, tax related assets, including but not limited to goods and service tax input credits, value added/ sales tax/ entry tax credits or set-offs, advance tax, tax deducted at source, tax refunds and minimum alternate tax credit, tax holiday benefit, incentives, tax losses, rights, easements, privileges, liberties and advantages of whatsoever nature and wherever situated;

- b. all permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto;
- c. all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/ panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier /manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;

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- d. all applications, including hardware, software, licenses, source codes (including any copies thereof), scripts, registrations, goodwill, licenses, trademarks, trade names, service marks, copyrights, patents, patent rights, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and rights of any description and nature whatsoever;
- e. all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated;
- f. all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form;
- g. investments in shares, debentures and other securities and all other investments in Partnership Firms and Limited Liability Partnership (LLP), if any;
- h. all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized;
- i. all permanent and temporary employees employed/ engaged in and relatable to the business as on the Effective Date; and
- j. all legal or other proceedings of whatsoever nature.

1.30 "Trustee" shall have the meaning ascribed to it in Clause 15 of the Scheme.

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## 2. INTERPRETATION

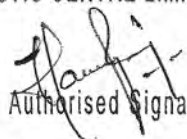
In this Scheme, unless the context requires otherwise:

- 2.1 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- 2.2 words in singular shall include the plural and vice-versa;
- 2.3 the terms "hereof", "herein", or similar expressions used in this Scheme shall mean and refer to this Scheme and not to any particular clause of this Scheme;
- 2.4 wherever the word "include", "includes", or "including" is used in this Scheme, it shall be deemed to be followed by the words "without limitation";
- 2.5 any reference to any enactment, rule, regulation, notification, circular or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidate or re-enacted (with or without modification) and includes all rules, regulations, circulars, notifications, instruments or orders made under such enactment;
- 2.6 any reference to an "agreement" or "document" shall be construed as a reference to such agreement or document as amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document;
- 2.7 where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words; and
- 2.8 any reference to "INR" shall mean Indian National Rupees.

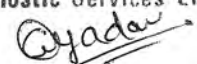
## 3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Amalgamation of Transferor Company with Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date but shall be operative from the Effective Date.

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#### 4. SHARE CAPITAL

- 4.1 The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2024, is as follows:

Particulars	Amount in INR
<b>Authorised Share Capital:</b>	
11,000,000 (One Crore Ten Lakhs) Equity Shares of INR 10 (INR Ten)	110,000,000
<b>TOTAL</b>	<b>110,000,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
9,981,640 (Ninety-Nine Lakhs Eighty-One Thousand Six Hundred and Forty) Equity Shares of INR 10 (INR Ten) each*	99,816,400
<b>TOTAL</b>	<b>99,816,400</b>

\*Out of the above total no. of equity shares, an amount of INR 5(Five) each in relation to 49,600 Equity Shares totaling to INR 248,000 were unpaid by few shareholders at the time of public issue (IPO) in the year 1993-94. Due to the non-availability of the information considering the 30-year legacy of the Transferor Company and for the purposes of this Scheme of Amalgamation, the said shares are being considered as fully paid-up.

The Equity Shares of the Transferor Company are listed and traded on BSE.

Subsequent to March 31, 2024, there has been no change in the share capital of the Transferor Company till date.

- 4.2 The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2024, is as follows:

Particulars	Amount in INR
<b>Authorised Share Capital:</b>	
120,500,000 (Twelve Crore Five Lakh) Equity Shares of INR 1 (INR One) each	120,500,000
<b>TOTAL</b>	<b>120,500,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
102,345,693 (Ten Crore Twenty-Three Lakhs Forty-Five Thousand Six Hundred and Ninety-Three) Equity Shares of INR 1 (INR One) each	102,345,693
<b>TOTAL</b>	<b>102,345,693</b>

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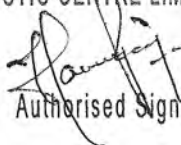
  
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Subsequent to March 31, 2024, there has been a change in the share capital of the Transferee Company as under which is mainly on account of allotment of Equity Shares pursuant to exercise of ESOPs by the employees of the Transferee Company:

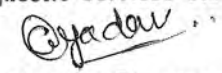
Particulars	Amount in INR
<b>Authorised Share Capital:</b>	
120,500,000 (Twelve Crore Five Lakh) Equity Shares of INR 1 (INR One) each	120,500,000
<b>TOTAL</b>	<b>120,500,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
102,597,450 (Ten Crore Twenty-Five Lakhs Ninety-Seven Thousand Four Hundred and Fifty) Equity Shares of INR 1 (INR One) each	102,597,450
<b>TOTAL</b>	<b>102,597,450</b>

The Equity Shares of the Transferee Company are listed and traded on the Stock Exchanges.

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**PART B****SECTION 1:****AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEEE COMPANY****5. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY**

5.1 With effect from the Appointed Date and upon the Scheme becoming effective on the Effective Date, and subject to the provisions of this Scheme, the Transferor Company shall stand amalgamated with and into the Transferee Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein as detailed below.


5.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the effective date, the whole of the business, personnel property, assets, investments, right, benefits and interest therein of the Transferor Company shall with effect from the Appointed Date, stand transferred to and be vested in the Transferee Company without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above and in particular, the Transferor Company shall stand amalgamated to and be vested in the Transferee Company in the manner provided below:

- (i) all assets of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting pursuant to this Scheme, if any, shall stand vested in the Transferee Company;
- (ii) all movable properties of the Transferor Company, other than those specified in sub-clause (i) above, including but not limited to sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, cash in hand, deposits, investments (including investments in securities of other companies whether, shares, stocks, debentures units, or other similar instrument), if any, shall without any further act, instrument or deed become the property of the Transferee Company;
- (iii) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same unless otherwise stated in this Scheme;
- (iv) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses in relation to the Transferor Company, shall be in full force and effect on the Transferee Company and may be enforced as fully and

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effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto;

- (v) any pending suit/ appeal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, shall not abate or be discontinued or in any way prejudicially affected by reason of the Amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/ or enforced by or against the Transferor Company, as if this Scheme had not been made. The Transferee Company shall file necessary application for transfer of all pending suit/ appeal or other proceedings of whatsoever nature relating to the Transferor Company;
- (vi) **Employees:** Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company, if any, who are in service as on the Effective Date shall become staff, workmen and employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date. The Transferee Company agrees that the services of all such employees with the Transferor Company, up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible as on the Effective Date.

It is expressly provided that, upon the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or such other Special Fund, if any, or Trusts (hereinafter collectively referred as "Funds") created for the benefit of the staff, workmen and employees of the Transferor Company shall, with the approval of the concerned authorities, become Funds of the Transferee Company, or shall be transferred to or merged with other similar funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees will be treated as having been continuous for the purpose of the said Funds.

- (vii) all statutory licenses, permissions, approvals including but not limited to the licenses, permissions and approvals provided in **Annexure 1** and Consent held by the Transferor Company required to carry on its operations shall stand transferred to and be vested in the Transferee Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Transferee Company. The benefits of all statutory licenses, permissions, approvals and

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consents of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme; and

- (viii) any and all registrations, goodwill, licenses appertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company.
- (ix) all Taxes in relation to the Transferor Company, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/ claims as the case may be of the Transferee Company as detailed in Clause 6 of the Scheme.

## 6. TREATMENT OF TAXES

- 6.1 All Taxes/ cess/ duties paid, payable, received or receivable by or on behalf of the Transferor Company, including all or any refunds, claims or entitlements as to Tax credits, Taxes paid in advance, and/ or TDS and/ or TCS, including refunds or claims pending with the revenue authorities, if any, whether or not the same is reflected in Form 26AS/ Form Annual Information Statement ("AIS") of the Transferor Company, shall for all purposes be treated as the Taxes/ cess/ duties, liabilities, refunds, claims or entitlements of the Transferee Company by operation of Applicable Law pursuant to the NCLT Order, without the requirement of any further act, instrument or deed;
- 6.2 All deductions otherwise admissible to the Transferor Company including without limitation deduction admissible on actual payment or on deduction of appropriate Taxes or on payment of Tax deducted at source (including, but not limited to, claim for sum prescribed under Section 43B, Section 40, Section 35DD and Section 94B of the Income Tax Act, claim for deduction of provisions written back by the Transferor Company previously disallowed in the hands of Transferor Company under the Income Tax Act, claim for debt or part of debt written off by Transferor Company under Section 36(1)(vii) read with Section 36(2) of the Income Tax Act where such debt or part of debt were offered to Tax by the Transferor Company, and claim for any deferred payments) shall be eligible for deduction to the Transferee Company in the same manner and to the same extent as would have been enjoyed, availed or utilized by the Transferor Company before the Effective Date by operation of Applicable Law pursuant to the NCLT Order, without the requirement of any further act, instrument or deed;
- 6.3 The unutilized credits relating to service tax/ GST on input goods consumed by the Transferor Company shall be transferred to the Transferee Company automatically without any specific approval or permission, as an integral part of the Scheme, by operation of Applicable Law pursuant to the NCLT Order without the requirement of any further act, instrument or deed;
- 6.4 To the extent required, the Transferor Company and Transferee Company shall be permitted to revise and file their respective financial statements, income Tax returns (including under Section 170A of the Income Tax Act, TDS or TCS), TDS and/ TCS returns, sales tax, value added Tax, service Tax, central sales Tax, entry Tax, GST returns and any other Tax returns, if

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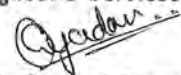
required to give effect to the provisions of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired;

- 6.5 The Transferee Company shall be entitled to: (i) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the Income Tax Act on or after the Effective Date; and (ii) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Company prior to the Effective Date;
- 6.6 Notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed Tax depreciation and accumulated losses, if any, of the Transferor Company as on the Effective Date, shall, for all purposes, be treated as unabsorbed Tax depreciation and accumulated losses of the Transferee Company and Transferee Company shall be eligible to set off unabsorbed Tax depreciation and accumulated losses, if any, of the Transferor Company as on the Effective Date against future taxable income of the Transferee Company in the same manner and to the same extent as would have been enjoyed, availed or utilized by the Transferor Company before the Effective Date subject to the applicable provisions of the Income Tax Act;
- 6.7 It is further clarified that any unabsorbed depreciation of the Transferor Company as specified in their respective books of account shall be included as unabsorbed depreciation of the Transferee Company for the purposes of computation of MAT;
- 6.8 Any Tax liability under the Income Tax Act, or any other applicable Tax laws or regulations allocable to the Transferor Company whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Effective Date, shall be transferred to the Transferee Company. Any surplus in the provision for taxes or duties or levies in the accounts of the Transferor Company, including advance Tax and TDS as on the close of business in India on the date immediately preceding the Effective Date will also be transferred to the account of the Transferee Company, by operation of Applicable Law pursuant to the NCLT Order without the requirement of any further act, instrument or deed;
- 6.9 All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as on the Effective Date, shall be continued and/ or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the Amalgamation of the Transferor Company with and into the Transferee Company pursuant to and in accordance with this Scheme or anything contained in this Scheme;

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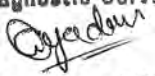


- 6.10 Any refund under the Income Tax Act or any other tax laws related to or due to the Transferor Company, including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company; and
- 6.11 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, GST and applicable state value added Tax (if applicable)) to which the Transferor Company is entitled to in terms of applicable tax laws, shall be available to and vest in the Transferee Company by operation of Applicable Law pursuant to the NCLT Order without the requirement of any further act, instrument or deed.
7. The Transferee Company and the Transferor Company shall, respectively, take such actions as may be necessary and permissible in order to give formal effect to the provisions of Part B of this Scheme, including, without limitation, making appropriate filings with any Person (including the relevant Governmental Authorities), and such Person (including the relevant Governmental Authorities) shall take the same on record, and shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date in accordance with the terms hereof.
8. The Transferee Company shall, at any time after Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, if so required under Applicable Law, do all such acts or things as may be necessary to transfer/ obtain the approvals, Consent, Contract, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company, including in connection with the transfer of properties of the Transferor Company to the Transferee Company. The Transferee Company shall file appropriate applications/ documents and make appropriate filings with the relevant authorities concerned for information and record purposes and the Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above on behalf of the Transferor Company, inter alia, in its capacity as the successor entity of the Transferor Company.
9. **CONDUCT OF THE TRANSFEROR COMPANY TILL THE EFFECTIVE DATE**
- 9.1 With effect from the Appointed Date and up to and including the Effective Date:
- i. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets for and on account of and in trust for the Transferee Company;

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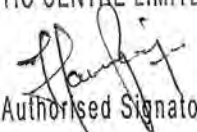
  
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- ii. The Transferor Company hereby undertakes to hold its assets with utmost prudence until the Effective Date;
- iii. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence in the ordinary course of business and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any additional liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/ assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme with the NCLT; or (c) when a prior written consent of the Transferee Company has been obtained in this regard;
- iv. Except by mutual consent of the Board of Directors of the Transferor Company and Transferee Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the NCLT, the Transferor Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of the Transferor Company;
- v. The Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations, undertaken prior to the date of approval of the Scheme by the Board of Directors of the Transferor Company, the terms and conditions of employment of any of its employees except with the written concurrence of the Transferee Company;
- vi. The Transferor Company shall not alter or expand its business except with the written concurrence of the Transferee Company; and
- vii. The Transferor Company shall not amend its Memorandum and/ or its Articles, except with the written concurrence of the Transferee Company.

9.2 All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by it with effect from the Appointed Date shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure, as the case may be, of the Transferee Company respectively, unless otherwise provided in this Scheme.

9.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business of the Transferor Company.

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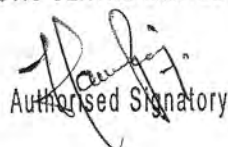
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- 9.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business of the Transferor Company.
- 9.4 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved, without following the procedure of winding up prescribed under the Insolvency and Bankruptcy Code, 2016, as may be applicable.
- 9.5 For the purpose of giving effect to the NCLT Order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of the Scheme by NCLT, the Transferee Company shall, at any time pursuant to the order on the Scheme, be entitled to get the records of the change in the legal right(s) upon the Amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act.
- 9.6 For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed/ suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

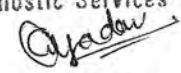
#### 10. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations pertaining/ relating to the Transferor Company, pursuant to this Scheme, and the continuance of the proceedings by or against the Transferee Company, under this Scheme shall not affect any transactions or proceedings already completed by the Transferor Company, on and after the Appointed Date to the end and intent that Transferee Company accepts all acts, deeds and things done and executed by and/ or on behalf of the Transferor Company, as acts, deeds and things done and executed by and on behalf of Transferee Company.

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**SECTION 2**  
**CONSIDERATION FOR AMALGAMATION**

11. The Board of the Transferee Company shall determine the Record Date for the issue and allotment of Equity Shares to the shareholders of the Transferor Company.
12. Upon Part B of the Scheme coming into effect and in consideration of the Amalgamation including the transfer and vesting of the Transferor Company in accordance to Clause 5 with the Transferee Company pursuant to this Scheme, the Transferee Company shall, without any further application, act, instrument or deed issue and allot to each equity shareholders of the Transferor Company (other than the Transferee Company or its nominees or subsidiaries), whose names are registered in the Register of Members of the Transferor Company as on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or their successors in title as may be recognised by the Board of Directors of Transferor Company in the following manner:

*For every 22 (Twenty Two) equity shares of face value of INR 10 (INR Ten only) each fully paid held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall be issued 1 (One) equity share of face value of INR 1 (INR One only) each fully paid in the Transferee Company.*

Since the Transferor Company is a subsidiary of the Transferee Company, upon the Scheme being sanctioned by the Hon'ble NCLT, all the Equity Shares, held by the Transferee Company and its nominees in the Transferor Company, shall be cancelled and extinguished. Accordingly, there will be no issuance and allotment of Equity Shares to the Transferee Company.

13. The share exchange ratio stated in Clause 12 above has been taken on record and approved by the Board of Directors of the Transferor Company and Transferee Company after taking into consideration the joint valuation report dated 26<sup>th</sup> June, 2024 provided by SSPA & Co., Chartered Accountants and CA Prashant Ghorela, both who are Registered Valuers issued to the Transferor Company and Transferee Company.
14. The Equity Shares in the Transferee Company to be issued to the shareholders of the Transferor Company pursuant to Clause 12 of Section 2 of Part B of this Scheme shall rank *pari passu* in all respects with the existing Equity Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company. The Equity Shares of the Transferee Company issued pursuant to Clause 12 of Section 2 of Part B and in lieu of the locked-in shares of the Transferor Company, if any, will be subject to lock-in for the remaining lock-in period of such locked-in shares, in accordance with the SEBI Scheme Circular.
15. If any shareholder of the Transferor Company becomes entitled to a fractional Equity Share to be issued by the Transferee Company pursuant to Clause 12 of Section 2 of Part B of this Scheme, the Transferee Company shall not issue such fractional Equity Share to such shareholder of the Transferor Company, but shall consolidate all such fractional entitlements

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and round up the aggregate of such fractions to the next whole number of all shareholders of the Transferor Company and the Board of the Transferee Company shall, without the requirement of any further act, instrument or deed, issue and allot such Equity Shares that represent the consolidated fractional entitlements to a trustee nominated by the Board of the Transferee Company ("Trustee") and the Trustee shall hold such Equity Shares, with all additions or accretions thereto, in trust for the benefit of the shareholders of the Transferor Company who are entitled to the fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Equity Shares in the market within a period of 90 (ninety) days from the date of allotment of shares and receipt of consequent listing and trading approval in respect of such shares, and on such sale, distribute to the shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Equity Shares and dividends or distributions made on such Equity Shares (after deduction of applicable Taxes and costs incurred and subject to TDS, if any). It is clarified that any such distribution shall take place only after the sale of all the Equity Shares of the Transferee Company that were issued and allotted to the Trustee pursuant to this Clause 15. The Transferee Company would within a period of 7 (Seven) days of compensating the eligible shareholders, submit to the stock exchanges a report from the Audit Committee and the independent directors stating that the eligible shareholders have been compensated. In the event of any amount remaining unpaid, the same shall, at the end of 7 (Seven) years, be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Act as amended from time to time.

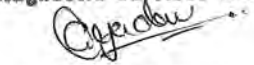
16. The Equity Shares issued by the Transferee Company in terms of Clause 12 of Section 2 of Part B of the Scheme shall be issued in dematerialized form and the register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Law shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of such Equity Shares by the Transferee Company in terms of this Scheme. The shareholders of the Transferor Company who hold Equity Shares in the Transferor Company in physical form shall provide requisite details relating to his/ her/ its accounts with a depository participant to the Transferee Company prior to the Effective Date to enable the Transferee Company to issue Equity Shares in terms of Clause 12 of Section 2 of Part B of the Scheme.

However, if no such details have been provided to the Transferee Company by the relevant shareholder(s) holding Equity Shares in the Transferor Company in physical form prior to the Effective Date, the Transferee Company shall, deal with the relevant Equity Shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding Equity Shares in dematerialized form to the Trustee nominated by the Board of the Transferee Company who shall hold such Equity Shares in trust for the benefit of the relevant shareholder(s) of the Transferor Company up to a period of 7 (seven) years from the date of issuance of the Equity Shares to the trustee, whereafter, the unclaimed Equity Shares shall be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Act as amended from time to time.

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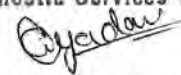
  
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17. Upon Part B of this Scheme coming into effect on the Effective Date and upon the Equity Shares of the Transferee Company being issued and allotted by it to the equity shareholders of Transferor Company in terms of Clause 12 of Section 2 of Part B of this Scheme, the Equity Shares of the Transferor Company, shall be deemed to have been automatically cancelled, and any liability in respect of the same shall stand extinguished.
18. The Equity Shares allotted and issued in terms of Clause 12 of Section 2 of Part B of this Scheme, shall be listed and/ or admitted to trading on the Stock Exchanges, where the Equity Shares of the Transferee Company are listed and/ or admitted to trading. The Transferee Company shall make all requisite applications and take all steps to list the Equity Shares issued and allotted pursuant to Clause 12, listed on the Stock Exchanges and obtain the final listing and trading permissions for such Equity Shares.
19. The Equity Shares issued and allotted in terms of Clause 12 of Section 2 of Part B of this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the Stock Exchange with respect to such Equity Shares.
20. On the approval of this Scheme by the Board and members of each of the Transferor Company and the Transferee Company pursuant to Sections 230 to 232 of the Act and other relevant provisions of the Act, if applicable, it shall be deemed that the Board and members of each of the Transferee Company and Transferor Company have also accorded their consent under Sections 13, 42, 61, 62(1) and 64 of the Act and/ or any other applicable provisions of the Act and the relevant provisions of the Articles, as may be applicable, for the aforesaid issuance of Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company and amendment of the Memorandum of the Transferee Company for reclassification and enhancement of the authorised share capital of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61, 62(1)(c) or 64 of the Act and/ or any other applicable provisions of the Act. Upon Part B of this Scheme coming into effect on the Effective Date, the Transferee Company shall, if required, file all necessary documents/ intimations as per the provisions of the Act with the RoC or any other applicable Governmental Authority to record the Amalgamation of the Transferor Company with and into the Transferee Company, issuance of Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company, amendment of the Memorandum of the Transferee Company and dissolution of the Transferor Company, in the manner set out in Section 1 of Part C of this Scheme.
21. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties

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as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company.

The Equity Shares to be issued by the Transferee Company pursuant to this Scheme in respect of any Equity Shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise pending allotment or settlement of dispute by order of Court or otherwise, shall be held in abeyance by the Transferee Company.

In the event, the Transferee Company and/ or the Transferor Company restructure their share capital by way of share split/ consolidation/ issue of bonus shares etc. during the pendency of the Scheme, the share exchange ratio, as per Clause 12 of the Scheme, shall be adjusted accordingly, to consider the effect of any such corporate actions.

The Equity Shares to be issued by the Transferee Company, pursuant to the scheme, to the shareholders of the Transferor Company whose Equity Shares are held in the unclaimed suspense account, if any, shall be credited to a new unclaimed suspense account created for shareholders of the Transferee Company.

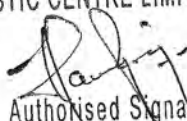
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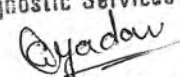
**PART C****SECTION 1****DISSOLUTION OF THE TRANSFEROR COMPANY**

22. Upon Part B of this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, subject to Clause 32 of Part D, the Transferor Company shall, without the requirement of any further act, instrument or deed, shall stand dissolved without winding up pursuant to the NCLT Order.
23. On and from the Effective Date, subject to Clause 32 of Part D: (i) the Board of the Transferor Company, shall, without the requirement of any further acts, resolutions, filings, instruments, or deeds, cease to exist and stand dissolved; and (ii) the name of the Transferor Company shall be struck off from the records of the RoC.

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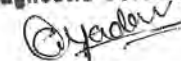
**SECTION 2**  
**ACCOUNTING TREATMENT FOR THE AMALGAMATION**

24. Pursuant to Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferee Company shall account for the Amalgamation of the Transferor Company with the Transferee Company in its books of account as per the "Pooling of Interest Method" in accordance with the accounting principles as laid down in the Appendix C of Indian Accounting Standard 103 (Business Combinations), notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and relevant clarifications issued by the Institute of Chartered Accountants of India, which shall be specifically as under:
- (a) All the assets and liabilities appearing in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values, from the earliest period presented in the financial statements i.e. the financial information in the financial statements in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
  - (b) In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.
  - (c) The amount of any inter-company balances, amounts or investments between the Transferor Company and the Transferee Company, appearing in the books of account of the respective companies, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.
  - (d) The identity of the retained earnings and reserves of the Transferor Company, if any, to the extent possible shall be preserved and they shall appear in the Financial Statements of the Transferee Company in the same form and manner, in which they appeared in the Financial Statements of the Transferor Company, prior to this Scheme becoming effective. Accordingly, if, prior to this Scheme becoming effective there is any reserve in the Financial Statements of the Transferor Company available for distribution as dividend, the same shall also be available in the Financial Statements of the Transferee Company for distribution as dividend on and after the Effective Date.
  - (e) The face value of the Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the equity share capital of the Transferee Company.
  - (f) The difference between the value of the Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company as per Clause 12 of this scheme and the amount of share capital of the Transferor Company shall be transferred to 'Capital Reserve' (if credit balance) or 'Amalgamation Reserve' (if debit balance) and should be presented separately from other reserves with disclosure of its nature and purpose in the notes.

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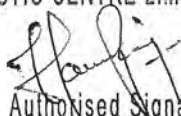
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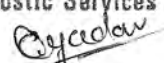
Notwithstanding anything mentioned in the Scheme, upon the Scheme becoming effective, Transferee Company shall account for the transfer as per Indian accounting standard (Ind AS) 103 or any other accounting standard as applicable notified under Section 133 of the Companies Act 2013, as may be amended from time to time, in its books of accounts.

25. As the Transferor Company shall stand dissolved without being wound up upon Part B of this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, as mentioned in Section 1 of Part C of this Scheme, there shall be no accounting treatment in the books of accounts of the Transferor Company.

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**PART D****GENERAL TERMS AND CONDITIONS****26. TRANSFER OF THE AUTHORIZED SHARE CAPITAL AND AMENDMENT TO THE MEMORANDUM OF THE TRANSFeree COMPANY**

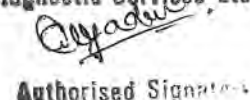
- (a) As an integral part of this Scheme and upon Part B of the Scheme coming into effect on the Effective Date, the authorised share capital of the Transferor Company, comprised of INR 110,000,000 (INR Eleven Crores only) of equity share capital, divided into 11,000,000 (One Crore Ten Lakhs) Equity Shares of face value of INR 10 (INR Ten only) each shall stand reclassified entirely as INR 110,000,000 (INR Eleven Crores only) of equity share capital, divided into 110,000,000 (Eleven Crore) Equity Shares of face value of INR 1 (INR One) each, and shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company.
- (b) As a consequence, the authorised share capital of the Transferee Company as set out in Clause 4.2 of Part A of this Scheme shall stand enhanced to INR 230,500,000 (INR Twenty Three Crore and Five Lakhs only) divided into 230,500,000 (Twenty Three Crore and Five Lakhs) Equity Shares of face value of INR 1 (INR One) each without the requirement of any further act, instrument or deed on part of the Transferee Company including payment of stamp duty and fees payable to the relevant Registrar of Companies. For this purpose, the filing fees and stamp duty already paid by Transferor Company and Transferee Company towards their respective authorized share capital shall be utilized and applied to and set off against any fees payable on the increased authorized share capital of Transferee Company and shall be deemed to have been so paid by Transferee Company on such combined authorized share capital and accordingly, Transferee Company shall not be required to pay any fees/ stamp duty on the authorized share capital so increased. However, for any additional increase in the authorized share capital as required, necessary differential fees as per the provisions of the Act and stamp duty would be required to be paid.
- (c) Subsequent to the reclassification and enhancement of the authorised share capital of the Transferee Company as contemplated in this Clause 26, the authorised share capital clause of the Memorandum (Clause V) of the Transferee Company shall stand modified and read as follows:

*"The Authorised Share Capital of the Company is INR 230,500,000 (Indian Rupees Twenty Three Crore and Five Lakhs only) divided into 230,500,000 (Twenty Three Crore and Five Lakhs) Equity Shares of face value INR 1 (Indian Rupees One only) amounting to INR 230,500,000 (Indian Rupees Twenty Three Crore and Five Lakhs only) with a power to increase or reduce the capital of the Company in accordance*

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*with the provisions of the Companies Act, 2013 and to classify or reclassify the Share Capital."*

- (d) For the avoidance of doubt, it is clarified that, in case, the authorised share capital of the Transferor Company and/ or the Transferee Company, as the case may be, undergoes any change, prior to Part B of this Scheme coming into effect on the Effective Date, then this Clause 26 of Part D of this Scheme shall automatically stand modified/ adjusted accordingly to take into account the effect of such change.
- (e) On the approval of this Scheme by the Board and the members of the Transferor Company and Transferee Company pursuant to Sections 230 to 232 of the Act and other relevant provisions of the Act and the rules made thereunder, the SEBI Scheme Circular and the SEBI LODR Regulations, if applicable, it shall be deemed that the Board and the members of the Transferor Company and Transferee Company have also accorded their consent under Sections 13, 61 and 64 of the Act and/ or any other applicable provisions of the Act and the rules made thereunder, the relevant provisions of the SEBI LODR Regulations and the Articles, as may be applicable, for effecting the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferor Company and/ or the Transferee Company under Sections 13, 61 or 64 of the Act and/ or any other applicable provisions of the Act and the rules made thereunder, the relevant provisions of the SEBI LODR Regulations and/ or the Articles. Upon Part B of this Scheme coming into effect on the Effective Date, the Transferee Company shall, if required, file all necessary documents/ intimations as per the provisions of the Act and the rules made thereunder with RoC or any other applicable Governmental Authority in respect of the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, in the manner contemplated under this Clause 26 of Part D of this Scheme.

## 27. VALIDITY OF EXISTING RESOLUTIONS

The resolutions and powers of attorney of/ or executed by the Transferor Company shall upon Part B of the Scheme coming into effect on the Effective Date, stand terminated and revoked, and all authorities granted (including powers of attorney and board resolutions passed granting authority(ies) to Persons), to represent or act for and on behalf of the Transferor Company, including any authority granted to any Person(s) who is not an employee of the Transferor Company, to represent, interact or deal with, or enter into any arrangement with, any Governmental Authority, for and on behalf of the Transferor Company shall stand terminated and revoked.

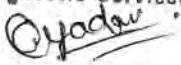
## 28. APPLICATIONS TO GOVERNMENTAL AUTHORITIES

- (a) The Transferor Company and the Transferee Company shall make all necessary

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application(s) and petition(s) to the Tribunal under Sections 230 to 232 and other applicable provisions of the Act and the rules made thereunder, for sanction of this Scheme and all matters ancillary or incidental thereto, under provisions of Applicable Law and obtain such other approvals, as required under Applicable Law.

- (b) Upon Part B of the Scheme being effective from the Effective Date, the members of the Transferee Company and Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act and the rules made thereunder and the Applicable Law for giving effect to the provisions contained in this Scheme.
- (c) The Transferee Company and Transferor Company shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required under any Applicable Law for such Consent and approvals, as agreed between the Transferee Company and Transferor Company, which they may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed.

## 29. CONDITIONALITY OF THE SCHEME

The Scheme is and shall be conditional upon and subject to:

(a) Approval of the members:

1. The requisite majorities in number and value of such classes of members of each of the Transferor Company and Transferee Company, as may be directed by the Tribunal or any other competent authority, as may be applicable, approving this Scheme; and
2. This Scheme being approved by the public shareholders of each of the Transferor Company and Transferee Company through e-voting in terms of paragraph 10(a) of Part I of the SEBI Scheme Circular and the votes cast by the public shareholders of the Transferor Company and the Transferee Company in favour of this Scheme being more than the number of votes cast by public shareholders of the Transferor Company and the Transferee Company (respectively) against this Scheme,

in each case, in compliance with the provisions of the Act, the SEBI Scheme Circular and/ or the SEBI LODR Regulations.

- (b) The requisite majorities in number and value of such classes of secured and/ or unsecured creditors of Transferor Company and Transferee Company, as applicable, as may be directed by the Tribunal or any other competent authority, as may be applicable, approving this Scheme;

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- (c) The Stock Exchanges having issued their observation/ no-objection letters as required under the SEBI LODR Regulations read with the SEBI Scheme Circular, in a form and substance satisfactory to each of the Transferor Company and the Transferee Company;
- (d) Receipt of the NCLT Order under the provisions of Sections 230 to 232 of the Act and receipt of certified copies of the NCLT Order; and
- (e) The certified copies of the NCLT Order having been filed by the Transferor Company and Transferee Company (as the case may be), with the respective RoC within the timeline specified under Applicable Law.

The Scheme shall not come into effect unless the aforementioned conditions precedent mentioned in Clause 29 above are satisfied (or to the extent permissible under Applicable Law, waived by the Transferee Company) and in such an event, no rights and liabilities stated under this Scheme shall accrue to or be incurred *inter se* the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other Person.


- 30. Each of the Transferor Company and the Transferee Company shall file the NCLT Order with the respective RoC within the timeline specified under the Applicable Law. In case Part B of the Scheme does not become effective on Effective Date, within a period of 30 (thirty) days of receipt of respective NCLT Order, the Transferor Company and Transferee Company (as the case may be) shall be entitled to promptly file the NCLT Order with the respective RoC in the requisite form(s), along with the necessary clarification letter(s), as may be required, within the time period prescribed under Applicable Law or the NCLT Order. Upon Part B of the Scheme coming into effect in accordance herewith, the Transferor Company and Transferee Company (as the case may be) shall file the requisite form(s), along with the necessary letter(s), as may be required, with their respective RoC.
- 31. The Amalgamation of the Transferor Company with the Transferee Company pursuant to Part B of this Scheme shall be operative on and from the Effective Date and shall be effective on and from the Appointed Date.

### 32. SEQUENCING OF ACTIONS

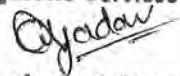
The Scheme shall be implemented in the following sequence:

- (a) Amalgamation of the Transferor Company into and with the Transferee Company in accordance with Part B of this Scheme;
- (b) Transfer of the authorised share capital of the Transferor Company to the Transferee Company in accordance with Clause 26 of Part D of this Scheme, and consequential increase in the authorised share capital of the Transferee Company;
- (c) Dissolution of the Transferor Company without winding-up in accordance with Clause 22 of Section 1 of Part C of this Scheme; and

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- (d) Issue and allotment of Equity Shares of the Transferee Company by the Transferee Company to the equity shareholders of the Transferor Company (as of the Record Date) in accordance with Clause 12 of Section 2 of Part B of this Scheme.

### 33. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

The Transferor Company and Transferee Company will be at liberty to apply to the respective Tribunal from time to time for necessary directions in matters relating to this Scheme or any terms hereof, in terms of the Act and the rules made thereunder.

Subject to the provisions of the SEBI Scheme Circular, the Transferee Company and the Transferor Company may, by mutual written consent and acting through their respective Boards (which shall include any committee constituted by the respective boards), assent to any modifications/ amendments to this Scheme and/ or to any conditions or limitations that the Tribunal or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The consent accorded by the shareholders to this Scheme shall be deemed and treated as their consent for modification, if any, of the Scheme in any manner and no further or separate consent shall be required to carry out such modification.

### 34. REMOVAL OF DIFFICULTIES

The Transferor Company and/ or Transferee Company (as the case maybe), may, by mutual consent and acting through their respective authorised representatives, agree to take all such steps as may be necessary, desirable or proper to resolve all doubts, difficulties or questions, that may arise in relation to the meaning or interpretation of the respective sections of this Scheme or implementation thereof or in any manner whatsoever connected therewith, whether by reason of any directive or orders of the Tribunal or any other Governmental Authority or otherwise, howsoever arising out of, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or any matters concerned or connected therewith and to do and execute all acts, deeds, matters and things necessary for giving effect to this Scheme.

### 35. WITHDRAWAL OF THE SCHEME

The Scheme shall be withdrawn from the Tribunal by the Transferor Company and Transferee Company by mutual consent of the Transferor Company and Transferee Company, acting through their respective Board of Directors.

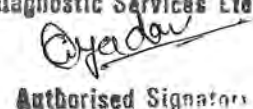
### 36. TAX NEUTRALITY

This Scheme is in compliance with the provisions relating to "Amalgamation" as specified under Section 2(1B) and other relevant provisions of the Income Tax Act, such that, *inter alia*

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upon Part B of this Scheme becoming effective on the Effective Date and with effect from the Appointed Date:

- 36.1 all the properties of the Transferor Company, immediately before the Effective Date, shall become the properties of the Transferee Company, by virtue of the Amalgamation;
- 36.2 all the Liabilities of the Transferor Company, immediately before the Effective Date, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation; and
- 36.3 shareholders holding at least 3/4<sup>th</sup> (three-fourths) in value of the shares in the Transferor Company (other than shares already held therein immediately before the Amalgamation by, or by a nominee for, the Transferee Company or its subsidiary) will become shareholders of the Transferee Company by virtue of the Amalgamation.

If any terms or provisions of this Scheme is/ are inconsistent with the provisions of Section 2(1B) of the Income Tax Act, the provisions of Section 2(1B) of the Income Tax Act shall prevail and this Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income Tax Act and such modification shall not affect other terms or provisions of this Scheme.

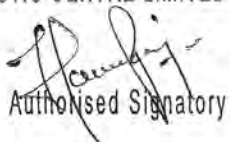
### 37. EFFECT OF NON-RECEIPT OF APPROVALS

- 37.1 In the event that the Scheme is not sanctioned by the NCLT or in the event that any of the consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, the Transferee Company shall bear the costs, charges and expenses in connection with the Scheme.
- 37.2 The non - receipt of any sanctions or approvals for a particular asset or liability forming part of the Transferor Company getting transferred pursuant to this Scheme shall not affect the effectiveness of the respective section of the Scheme if the Boards of Directors of the Transferor Company and/ or Transferee Company so decide. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received and the provisions of the Scheme shall apply appropriately to the said transfer.

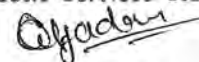
### 38. ENTIRE EFFECT

Each section of this Scheme is inextricably inter-linked with the other sections and the Scheme shall be given effect only in its entirety in the sequence set out in Clause 32 of Section D of the Scheme.

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### 39. COSTS

- (a) The Transferor Company and Transferee Company agree that it shall bear by itself all own costs, charges, levies and expenses in relation to or in connection with or incidental to this Scheme until the date of sanction of this Scheme by the Tribunals, including without limitation, costs and expenses associated with retention of financial, legal, tax and other professional advisers, and in connection with any valuation report and the fairness opinion issued by their respective valuers and merchant bankers.
- (b) Save as otherwise agreed, all stamp duties, transfer, registration, and other similar taxes, duties, charges and fees (including in relation to the registration and the stamping of the NCLT Order) payable or assessed in connection with this Scheme, the issuance of Equity Shares by the Transferee Company and the transfers contemplated by the Scheme shall be borne by the Transferee Company and Transferee Company shall be entitled to claim deduction of all such expenses in accordance with the provisions of Section 35DD of the Income Tax Act.

### 40. SEVERABILITY

If any provision of this Scheme becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Scheme, and the Transferor Company and Transferee Company will negotiate in good faith to agree to replace such illegal, void, or unenforceable provision of this Scheme with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision or act in accordance with a judgment, order, decree, or declaration made by a court of competent jurisdiction. The balance of this Scheme shall be enforceable in accordance with its terms.

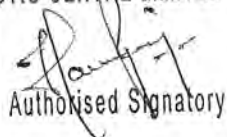
### 41. REPEAL AND SAVING

The provisions of the Act and rules made thereunder shall not be required to be separately complied with, in relation to the acts done by the Transferor Company or the Transferee Company as per direction of the NCLT Order.

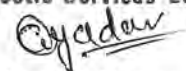
### 42. NO CAUSE OF ACTION

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company and/ or Transferee Company or their directors or officers, if this Scheme does not take effect or is withdrawn, amended, modified for any reason whatsoever.

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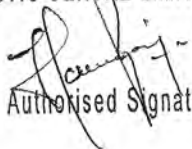
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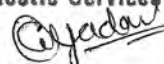
**Annexure 1: List of licenses, permissions and approvals of the Transferor Company**

<b>License / Registration Details</b>	<b>License/ Registration number</b>	<b>Authority</b>
<b>Clinical Establishment License</b>	License No. 34240746	West Bengal Clinical Establishment (Registration, Regulation and Transparency), Act 2017
<b>Bio Medical Waste (BMW) Authorisation</b>	BMW Authorisation No. D0014232	West Bengal Pollution Control Board
<b>Shops and Establishment Certificate</b>	Registration No. KL04082N2020000013	West Bengal Shops and Establishments Act, 1963
<b>Registration for Operation of Medical Diagnostic X-Ray Equipment</b>	Case File No. WB-30274-RF-XR-004	Atomic Energy Regulatory Board (Radiological Safety Division)
<b>Certificate of Registration for Ultrasound</b>	Registration No. PNDT/AMEND/KOL/236/2003	Pre-Natal Diagnostic Techniques (Regulation & Prevention of Misuse) Act, 1994 [PC & PNDT Act & Rules]
<b>Certificate of Enlistment (C.E.) alias Trade License</b>	C.E. No. 408723000142	Licence Department, Kolkata Municipal Corporation

For VIJAYA DIAGNOSTIC CENTRE LIMITED

  
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for Medinova Diagnostic Services Ltd.,

  
 Authorised Signatory

**M. ANANDAM & CO.,**  
**CHARTERED ACCOUNTANTS**

**Independent Auditor's Report**

To the Members of Medinova Diagnostic Services Limited

Report on the Audit of the Standalone Financial Statements

**Opinion**

We have audited the standalone financial statements of Medinova Diagnostic Services Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

**Information Other than Financial Statements (Other Information)**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon.

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For MEDINOVA DIAGNOSTIC SERVICES LTD.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks,



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Chartered Accountants

and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### Report on Other Legal and Regulatory Requirements

As required by Section 142(3) of the Act, we report that:

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





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Chartered Accountants

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

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) The Company has not paid any remuneration to its directors during the year. Hence the provisions of section 197 of the Act are not applicable.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note No. 21 of the standalone financial statements).

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



M. Anandam & Co.,  
Chartered Accountants

(c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend was declared or paid during the year by the Company, hence, the provisions of section 123 of the Act are not applicable.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

2. As required by the Companies (Auditor's Report) Order, 2020, ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm's Registration No. 089)

Madhuri Chimalgi  
Partner  
Membership No.235955



UDIN: 24235955BKCJUV2503

Place: Hyderabad  
Date: 26 April, 2024



M. Anandam & Co.,  
Chartered Accountants

**Annexure "A" to the Independent Auditor's Report**  
(Referred to in paragraph 1(f) under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company of even date)

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

#### Opinion

We have audited the internal financial controls with reference to the standalone financial statements of Medinova Diagnostic Services Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Inherent Limitations of Internal Financial Controls with reference to the standalone financial statements

Because of the inherent limitations of internal financial controls with reference to the standalone 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 the standalone financial statements to future periods are subject to the risk that the internal financial control with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed





M. Anandam & Co.,  
Chartered Accountants

under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls with reference to the standalone financial statements

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

For M. Anandam & Co.,  
Chartered Accountants

(Firm's Registration No. 0001)

Madhuri Chimalgi  
Partner

Membership No. 236952



UDIN: 24235955BKCJUV2503

Place: Hyderabad  
Date: 26 April, 2024



M. Anandam & Co.,  
Chartered Accountants

**Annexure "B" to the Independent Auditor's Report**

With reference to Paragraph 2 under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company, we report that –

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - 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) The Company has a program of physical verification of Property, Plant and Equipment so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) The Company does not own immovable properties and hence reporting under clause 3(i)(c) of the Order is not applicable.
  - d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% or more in the aggregate for each class of inventory.
- b) The Company was not sanctioned working capital limits in excess of Rs.5 Crore during the year from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. During the year, the Company has not made investments, not provided loans or advances in the nature of loans or not stood guarantee or not provided security in/to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of making investments. The Company has not granted loans, or provided guarantees and securities.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.



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M. Anandam & Co.,  
Chartered Accountants

- vii. In respect of statutory dues:
- In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
  - There are no disputed statutory dues that have not been deposited on account of any dispute by the Company.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in repayment of loans or other borrowings and in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) During the year, the company has not obtained any term loans and hence clause 3 (ix) (c) of the Order is not applicable.
- d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the standalone 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 subsidiary. The Company does not have associates or joint ventures.
- 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 subsidiary. The Company does not have associates or joint ventures.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) In our opinion and based on our examination and enquiries with the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act is required to be filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a) to (c) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit issued to the





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Medinova Diagnostic Services Limited  
Standalone Balance Sheet as at March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	4 (a)	97.97	94.49
(b) Intangible assets	4 (b)	3.64	0.40
(c) Financial assets			
(i) Investments	5 (a)	296.82	296.82
(ii) Other financial assets	5 (c)	25.27	28.44
(d) Deferred tax assets (net)	6	50.13	56.54
(e) Non-current tax assets (net)	20 (d)	11.89	11.89
<b>Total non-current assets</b>		<b>485.72</b>	<b>485.59</b>
<b>II Current assets</b>			
(a) Inventories	7	10.22	11.25
(b) Financial assets			
(i) Trade receivables	5 (b)	37.23	67.20
(ii) Cash and cash equivalents	5 (d)	61.20	61.31
(iii) Other financial assets	5 (e)	0.76	0.10
(c) Other current assets	8	6.03	7.88
<b>Total current assets</b>		<b>115.44</b>	<b>147.74</b>
<b>TOTAL ASSETS (I + II)</b>		<b>601.16</b>	<b>633.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	9 (a)	995.68	995.68
(b) Other Equity	9 (b)	(1,202.28)	(1,278.77)
<b>Total equity</b>		<b>(206.60)</b>	<b>(283.09)</b>
<b>Liabilities</b>			
<b>II Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	10 (a)	500.00	575.00
(b) Provisions	12	22.19	27.32
<b>Total non-current liabilities</b>		<b>522.19</b>	<b>602.32</b>
<b>III Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	10 (b)		
Total outstanding dues of micro and small enterprises		3.03	0.58
Total outstanding dues of creditors other than micro and small enterprises		228.79	240.12
(ii) Other financial liabilities	10 (c)	32.77	40.46
(b) Other current liabilities	11	5.92	5.56
(c) Provisions	12	13.16	24.35
(d) Current tax liabilities (net)	20 (d)	1.90	3.03
<b>Total current liabilities</b>		<b>285.57</b>	<b>314.10</b>
<b>Total liabilities (II + III)</b>		<b>807.76</b>	<b>916.42</b>
<b>TOTAL EQUITY AND LIABILITIES (I + II + III)</b>		<b>601.16</b>	<b>633.33</b>
<b>Corporate Information</b>			
Basis of preparation and measurement and material accounting policies	2&3		

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

For M. Anandam & Co,  
Chartered Accountants  
ICAI Firm registration number: 000125S

Madhuri Chinaiji  
Partner  
Membership Number: 235346

Place: Hyderabad  
Date: 26 Apr, 2024

For and on behalf of the Board of Directors of  
Medinova Diagnostic Services Limited  
CIN: L85110TG1993PLC015481

Dr. Sura Surendranath Reddy  
Chairman  
DIN: 00108599

Nikhil Rajmal Jain  
Chief Financial Officer

Place: Hyderabad  
Date: 26 Apr, 2024

Sudh Chandra Kondapally  
Managing Director  
DIN: 01409352

Hansraj Singh Rajput  
Company Secretary

For VIJAYA DIAGNOSTIC CENTRE LIMITED

Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.

Authorized Signatory



## Medinova Diagnostic Services Limited

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>1 Income</b>			
(a) Revenue from operations	13	778.12	775.83
(b) Other income	14	25.78	23.28
<b>Total income</b>		<b>803.90</b>	<b>799.11</b>
<b>2 Expenses</b>			
(a) Cost of materials consumed	15	85.51	115.63
(b) Employee benefits expense	16	173.34	180.59
(c) Testing Fees		60.06	43.03
(d) Finance costs	17	57.40	57.50
(e) Depreciation and amortisation expenses	18	12.30	23.53
(f) Other expenses	19	313.62	291.76
<b>Total expenses</b>		<b>702.23</b>	<b>712.04</b>
<b>3 Profit before tax [1 - 2]</b>		<b>101.67</b>	<b>87.07</b>
<b>4 Tax expense</b>	20		
(a) Current tax		20.39	18.27
(b) Earlier year's tax		0.01	2.01
(c) Deferred tax		6.00	3.79
<b>Total tax expense</b>		<b>26.40</b>	<b>24.07</b>
<b>5 Profit for the year [3 - 4]</b>		<b>75.27</b>	<b>63.00</b>
<b>6 Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
(a) Remeasurement of defined benefit obligations		1.63	1.03
(b) Income-tax relating to above item	20	(0.41)	(0.26)
<b>Other comprehensive income for the year (net of income tax)</b>		<b>1.22</b>	<b>0.77</b>
<b>7 Total comprehensive income for the year [5 + 6]</b>		<b>76.49</b>	<b>63.77</b>
<b>Earnings per equity share (face value of Rs. 10 each, fully paid)</b>	22		
- Basic (in Rs.)		0.75	0.63
- Diluted (in Rs.)		0.75	0.63

Corporate Information

Basis of preparation and measurement and material accounting policies

2&amp;3

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached

For M. Anandam &amp; Co.

Chartered Accountants

ICAI Firm registration number: 000125S

For and on behalf of the Board of Directors of

Medinova Diagnostic Services Limited

CIN: L85110TG1993PLC015481

Madhuri Chimalgi

Partner

Membership Number: 235963

Dr. Sura Surendranath Reddy

Chairman

DIN: 00108599

Sugil Chandra Kondapally

Managing Director

DIN: 01409332

Place: Hyderabad

Date: 26 Apr, 2024

Nikhil Rajmal Jain  
Chief Financial Officer

Place: Hyderabad

Date: 26 Apr, 2024

Hansraj Singh Rajput  
Company Secretary

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Medinova Diagnostic Services Limited  
 Standalone Statement of Cash Flows for the year ended March 31, 2024  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A Cash flow from operating activities</b>		
Profit before tax	101.67	87.07
Adjustments for:		
Depreciation and amortisation expenses	12.30	23.53
Net (gain)/loss on sale of property, plant and equipment	(0.09)	-
Interest income	(1.16)	(3.14)
Provision for credit impaired receivables	18.00	0.01
Liabilities no longer required written back	(4.48)	(9.99)
Finance costs	57.40	57.50
Operating profit before changes in assets and liabilities	183.64	154.97
Changes in working capital items:		
Decrease/(Increase) in trade receivables	11.97	(16.93)
Decrease/(Increase) in inventories	1.03	5.31
Decrease/(Increase) in other financial assets	(0.10)	64.09
Decrease/(Increase) in other tax assets	(10.16)	(11.15)
Decrease/(Increase) in other current assets	1.85	(3.30)
Increase/(Decrease) in trade payables	(4.40)	(73.20)
Increase/(Decrease) in provisions and other liabilities	(15.44)	6.78
Increase/(Decrease) in other financial liabilities	(7.60)	(0.98)
Cash generated from operations	160.79	125.59
Income tax paid	(10.25)	(7.50)
Net cash from operating activities	150.54	118.09
<b>B Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(19.04)	(38.60)
Proceeds from sale of property, plant and equipment	0.11	-
Interest received	0.77	4.71
Net cash used in investing activities	(18.16)	(33.89)
<b>C Cash flows from financing activities</b>		
Borrowing/(Repayment) of Loan from Holding Company	(75.00)	-
Interest paid	(57.49)	(78.05)
Net cash from/(used in) financing activities	(132.49)	(78.05)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(0.11)	6.16
Cash and cash equivalents at the beginning of the year	61.31	55.15
Cash and cash equivalents at end of the year	61.20	61.31

Note:

(a) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.

(b) Cash and cash equivalents mentioned above comprise the following:

	As at March 31, 2024	As at March 31, 2023
Cash on hand	1.56	1.06
Balances with banks		
- in current accounts	59.64	60.25
Total cash and cash equivalents (refer note 5(d))	61.20	61.31

(c) Net Debt Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance of borrowings	575.00	575.00
Add - Proceeds from borrowings during the year	-	-
Less - Repayment of borrowings during the year	(75.00)	-
Fair Value Adjustment	-	-
Closing balance of borrowings	500.00	575.00

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For M. Anandam & Co.

Chartered Accountants

ICAI Firm registration number 233007

Madhuri Chimalgi

Partner

Membership Number 233007

Place: Hyderabad

Date: 26 Apr, 2024

For and on behalf of the Board of Directors of

Medinova Diagnostic Services Limited

CIN:L85110TG1993PLC015481

Dr. Sura Surendranath Reddy

Chairman

DIN: 00108599

Nikhil Rajmal Jain

Chief Financial Officer

Place: Hyderabad

Date: 26 Apr, 2024

Smit Chandra Kondapally

Managing Director

DIN Number: 07409332

Hadi Singh Rajput

Company Secretary



## Medinova Diagnostic Services Limited

Standalone Statement of Changes in Equity for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## A. Equity Share Capital

Particulars	Note	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year		995.68	995.68
Add: Changes in equity share capital during the year	9(a)	-	-
Balance at the end of the year		995.68	995.68

## B. Other Equity

Particulars	Reserves and surplus			Total
	General reserve	Securities premium	Retained earnings	
Balance as at April 01, 2023	62.46	51.55	(1,392.79)	(1,278.77)
Profit/(Loss) for the year	-	-	75.27	75.27
Other comprehensive income, net of tax	-	-	1.22	1.22
Total comprehensive income for the year	-	-	76.49	76.49
Balance as at March 31, 2024	62.46	51.55	(1,316.29)	(1,202.28)

Particulars	Reserves and surplus			Total
	General reserve	Securities premium	Retained earnings	
Balance as at April 01, 2022	62.46	51.55	(1,456.56)	(1,342.55)
Profit/(Loss) for the year	-	-	63.00	63.00
Other comprehensive income, net of tax	-	-	0.77	0.77
Total comprehensive income for the year	-	-	63.77	63.77
Balance as at March 31, 2023	62.46	51.55	(1,392.79)	(1,278.77)

As per our report of even date attached

For M. Anandam &amp; Co.

Chartered Accountants

ICAI Firm registration number: 80011/AGS &amp; CO., Srinivasa Rao

Madhuri Chinnalgi

Partner

Membership Number: 2359

Place: Hyderabad

Date: 26 Apr. 2024

For and on behalf of the Board of Directors of

Medinova Diagnostic Services Limited

CIN: L85110TG1993PLC015481

Dr. Sura Surendranath Reddy

Chairman

DIN: 00108599

Nikhil Rajmal Jain

Chief Financial Officer

Place: Hyderabad

Date: 26 Apr. 2024

Smit Chandra Kodakpally

Managing Director

DIN: 01409332

Hansraj Singh Rajput

Company Secretary



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**1 Corporate Information**

Medinova Diagnostic Services Limited (the Company) is a Public limited Company domiciled in India and was incorporated on March, 11, 1993 under the provisions of the Companies Act 2013 applicable in India. The registered office of the Company is located at # 7-1-58, Unit No.1/Flat No. 301, 3rd Floor, Amrutha Business Complex, Amcerpet, Hyderabad - 500 016, Telangana, India. The Company is a subsidiary of Vijaya Diagnostic Centre Limited

The Company is engaged in the business of providing comprehensive range of diagnostic services spanning pathological investigations, radiology & imaging, conventional, specialized lab services and diagnostic cardiology.

**2 Basis of preparation and measurement****(i) Statement of compliance**

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act under the historical cost convention on an accrual basis except for certain financial instruments, which are measured at fair values, notified under the Act and Rules prescribed thereunder.

The standalone financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

The standalone financial statements were approved by the Board of Directors and authorised for issue on 26-04-2024.

**(ii) Functional and presentation currency**

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest lakhs except share data or as otherwise stated.

**(iii) Basis of measurement**

The standalone financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value or amortised costs
- Net defined benefit (asset)/ liability : Fair value of plan assets less present value of defined benefit obligations
- Borrowings : Amortised cost using effective interest rate method

**(iv) Use of estimates and judgements**

In preparing these standalone financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 6- Deferred tax assets: whether the company has convincing evidence to recognise deferred tax assets

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 26 – measurement of defined benefit obligations: key actuarial assumptions;
- Notes 12 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 5 – impairment of financial assets;
- Note 4 - determining an asset's expected useful life and the expected residual value at the end of its life




**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**(v) Measurement of fair values**

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 29 - Financial Instruments

**(vi) Current and non-current classification:**

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

**Assets**

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - it is expected to be realised within twelve months from the reporting date;
  - it is held primarily for the purposes of being traded; or
  - is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- All other assets are classified as non-current.

**Liabilities**

A liability is classified as a current when:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - it is due to be settled within twelve months from the reporting date;
  - it is held primarily for the purposes of being traded;
  - Deferred tax assets/liabilities are classified as non-current.
  - the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.
- All other liabilities are classified as non-current.

**Operating Cycle**

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.




**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**3 Summary of material accounting policies****A. Revenue recognition****i) Income from diagnostic services**

Revenue from Diagnostic services is recognized on amount billed net of discounts/ concessions if any. No element of financing is deemed present as the sales are made primarily on cash and carry basis, however for institutional/ organisational customers a credit period of 30 days is given, which is consistent with market practice.

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfer services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the underlying tests are conducted, samples are processed for requisitioned diagnostic tests. Each service is generally a separate performance obligation and therefore revenue is recognised at a point in time when the tests are conducted, samples are processed. For multiple tests, the Company measures the revenue in respect of each performance obligation at its relative stand alone selling price and the transaction price is allocated accordingly. The price that is regularly charged for a test separately registered is considered to be the best evidence of its stand alone selling price. Revenue contracts are on principal to principal basis and the Company is primarily responsible for fulfilling the performance obligation.

**B. Recognition of interest income**

Interest income is recognised using the effective interest rate method.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**C. Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**D. Financial instruments**

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

**i) Initial Recognition and measurement**

Trade receivables are initially recognised when they are originated. Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**ii) Classification and subsequent measurement****Financial assets**

All financial assets are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**Subsequent measurement:** For the purpose of subsequent measurement, financial assets are categorised as under:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**D. Financial instruments (continued)****ii) Classification and subsequent measurement (continued)**

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Equity investments at FVOCI:** These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

**Financial liabilities:**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

**iii) Derecognition****Financial assets**

A financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

**Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

**iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**E. Property, plant and equipment****i) Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

**ii) Depreciation**

Depreciation is provided using the Written down value Method ("WDV") upto 31st December 2022, over the useful lives of the assets as estimated by the Management based on technical evaluation. Depreciation on additions and deletions are restricted to the period of use. Assets costing below Rs. 5,000 are depreciated in full in the same year.

With effect from 1st January 2023, the Company has changed its method of depreciation on all Property, Plant and Equipment from Written Down Value ("WDV") method to Straight Line Method ("SLM"), based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the assets.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset description	Useful life in years as estimated by the management	Useful life in years as estimated as per schedule I
Leasehold improvements	10	10
Plant & Machinery	5 to 10	5 to 10
Computers and networks	3 to 6	3 to 6
Furnitures & Fixtures	5 to 10	5 to 10

Residual value is considered to be 5% on all the assets, as technically estimated by the management.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

**F. Intangible assets****i) Recognition and measurement**

Intangible assets that are acquired, are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

**ii) amortization**

Upto December 31, 2022, amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the "written down value" (WDV) method, and is included in depreciation and amortization in statement of profit and loss.

With effect from 1st January 2023, the Company has changed its method of amortization from Written Down Value ("WDV") method to Straight Line Method ("SLM"), based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the intangible assets.

The estimated useful life is as follows:

- Software - 3 years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

**G. Capital work in progress**

Capital work-in-progress is recognized at cost. It comprises of property, plant and equipment that are not yet ready for their intended use at reporting date.





**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**II. Inventories**

Inventories comprise of diagnostic kits, reagents, laboratory chemicals and consumables, these are valued at lower of cost and net realizable value. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for recoverable taxes, if any. Cost is determined on First-in-First-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

**I. Impairment of assets****i) Impairment of financial instruments**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

**Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

**Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**ii) Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**I. Impairment of assets (Continued)****(i) Impairment of non-financial assets (continued)**

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognised.

**J. Employee benefits****(i) Short-term employee benefits**

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

**(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and ESI. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

**(iii) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**(iv) Other long-term employee benefits**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period by a qualified actuary using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

**K. Leases**

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

**Company as a Lessor:**

Leases for which the Company is a lessor are classified as a finance or operating lease. When ever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income from operating leases are recognised on straight line basis over the term of relevant lease.



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**K. Leases (Continued)****Company as a Lessee:**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

**L. Income-tax**

Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

**M. Provision, contingent liabilities and contingent assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for.

**Contingencies:**

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.





**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024

**M. Provision, contingent liabilities and contingent assets (Continued)****Contingent liabilities and contingent assets:**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

**N. Earnings per share**

Basic Earnings Per Share ("EPS") is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

**O. Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

**P. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Q. Investments in subsidiaries**

Investments representing equity interest in subsidiaries carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

**R. Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**S. Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 4 (a) Property, plant and equipment

Particulars	Leasehold improvements *	Plant and equipment	Furniture and fixtures	Computers	Office equipment	Electrical equipment	Total
<b>A. Gross carrying amount (at cost)</b>							
As at April 01, 2022	29.93	309.62	34.93	18.31	0.14	-	392.93
Additions	11.07	17.99	-	0.59	1.08	7.87	38.60
Deletions	-	-	-	-	-	-	-
As at March 31, 2023	41.00	327.61	34.93	18.90	1.22	-	431.53
Additions	1.61	0.82	2.24	0.42	0.27	8.56	13.91
Deletions	-	(0.35)	-	-	-	-	(0.35)
As at March 31, 2024	42.61	328.08	37.17	19.31	1.49	16.42	445.09
<b>B. Accumulated depreciation</b>							
As at April 01, 2022	21.94	244.64	31.60	15.56	0.02	-	313.75
For the year ended	3.77	16.38	0.78	0.87	0.16	1.32	23.29
Deletions	-	-	-	-	-	-	-
As at March 31, 2023	25.71	261.02	32.38	16.43	0.18	1.32	337.04
For the year ended	2.13	5.96	0.24	0.55	0.26	1.28	10.41
Deletions	-	(0.33)	-	-	-	-	(0.33)
As at March 31, 2024	27.84	266.65	32.62	16.99	0.44	2.59	347.12
<b>C. Net carrying amount (A-B)</b>							
As at March 31, 2024	14.77	61.43	4.55	2.33	1.05	13.83	97.97
As at March 31, 2023	15.30	66.59	2.55	2.46	1.04	6.55	94.49

\* Leasehold improvements are the interiors/civil works carried out by the Company at the diagnostic centre taken on lease.



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**4 (b) Intangible assets**

Particulars	Amount
Software	
A. Gross carrying amount (at cost)	
As at April 01, 2022	-
Additions	0.88
Deletions	-
As at March 31, 2023	0.88
Additions	5.13
Deletions	-
As at March 31, 2024	6.01
B. Accumulated amortization	
As at April 01, 2022	0.23
For the year ended	0.25
Deletions	-
As at March 31, 2023	0.48
For the year ended	1.89
Deletions	-
As at March 31, 2024	2.37
C. Net carrying amount	
As at March 31, 2024	3.64
As at March 31, 2023	0.40




## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>5 Financial assets</b>		
(a) Investments		
Non-Current		
A. Subsidiaries		
Investment in Limited Liability Partnership (LLP) [At amortised cost]		
Unquoted		
Medinova Millennium MRI Services LLP	296.82	296.82
[100% (March 31, 2023: 100%) share in capital contribution]		
<b>Total</b>	<b>296.82</b>	<b>296.82</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	296.82	296.82
Aggregate amount of impairment in value of investments	-	-
(b) Trade receivables		
Current		
Unsecured, Considered good *	37.23	67.20
Credit impaired	19.28	1.28
Less: Allowance for doubtful receivables (expected credit loss allowance)	(19.28)	(1.28)
	<b>37.23</b>	<b>67.20</b>

\* Includes amount receivable from related parties (refer note 27)

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	35.09	1.46	0.68	-	-	37.23
(ii) Undisputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	0.19	1.55	17.54	19.28
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total (A)</b>	<b>35.09</b>	<b>1.46</b>	<b>0.87</b>	<b>1.55</b>	<b>17.54</b>	<b>56.51</b>
Expected credit loss rate	-	-	21.84%	100.00%	100.00%	-
Loss Allowance - B	-	-	0.19	1.55	17.54	19.28
Carrying amount of trade receivables (C=A-B)	<b>35.09</b>	<b>1.46</b>	<b>0.68</b>	<b>-</b>	<b>-</b>	<b>37.23</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	47.74	0.85	1.29	10.70	6.62	67.20
(ii) Undisputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	0.46	0.82	1.28
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>47.74</b>	<b>0.85</b>	<b>1.29</b>	<b>11.16</b>	<b>7.44</b>	<b>68.48</b>
Expected credit loss rate	-	-	0.00%	4.09%	11%	-
Loss Allowance - B	-	-	-	0.46	0.82	1.28
Carrying amount of trade receivables (C=A-B)	<b>47.74</b>	<b>0.85</b>	<b>1.29</b>	<b>10.70</b>	<b>6.62</b>	<b>67.20</b>



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023	
5. Financial assets (continued)			
(c) Other financial assets			
Non-current			
(Unsecured, considered good)			
Security deposits	15.92	16.16	
Deposits having remaining maturity of more than 12 months #	9.35	9.27	
	<u>25.27</u>	<u>25.44</u>	
# Includes Fixed deposit of Rs. 9.35 lakhs towards bank guarantee (March 31, 2023: Rs.9.27 lakhs)			
(d) Cash and cash equivalents			
Cash on hand	1.56	1.06	
Balances with banks			
- in current accounts	59.64	60.25	
	<u>61.20</u>	<u>61.31</u>	
(e) Other financial assets			
(Unsecured, considered good)			
Current			
Interest accrued on bank deposits	0.49	0.10	
Security deposits	0.27	-	
	<u>0.76</u>	<u>0.10</u>	
6. Deferred tax asset/(liabilities) net			
Deferred tax assets			
On account of property, plant and equipment	36.38	43.22	
On account of expenses allowable on payment basis	13.75	13.32	
Deferred tax asset/(liability), net	<u>50.13</u>	<u>56.54</u>	
<b>Movement in deferred tax assets/ (liabilities)</b>			
On account of	Property, plant and equipment and intangible assets	Expenses allowable on payment basis	Total
At April 01, 2022	47.78	12.81	60.59
(Charged)/ credited:			
- to profit or loss	(4.56)	0.77	(3.79)
- to OCI	-	(0.26)	(0.26)
As at March 31, 2023	43.22	13.32	56.54
(Charged)/credited:			
- to profit or loss	(6.84)	0.84	(6.00)
- to OCI	-	(0.41)	(0.41)
As at March 31, 2024	36.38	13.75	50.13
7. Inventories			
(Valued at lower of cost and net realisable value)			
Chemicals, digital imaging films and consumables	10.22	11.25	
	<u>10.22</u>	<u>11.25</u>	
8. Other assets			
Current			
GST Input Tax Credit	0.11	0.11	
Advance for expenses	-	0.49	
Prepaid expenses	5.92	7.28	
	<u>6.03</u>	<u>7.88</u>	



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
9 Equity		
(a) Equity share capital		
Authorised share capital		
11,000,000 (March 31, 2023: 11,000,000) equity shares of Rs. 10 each	1,100.00	1,100.00
Issued, subscribed and fully paid up capital		
9,981,640 (March 31, 2023: 9,981,640) equity shares of Rs. 10 each, fully paid-up	998.16	998.16
Less: Allotment Money Arrears	2.48	2.48
	995.68	995.68

## i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	99,81,640	995.68	99,81,640	995.68
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	99,81,640	995.68	99,81,640	995.68

## ii) Terms and rights attached to equity shares

Equity shares issued by the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. 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 shareholders.

## iii) Details of shareholders holding more than 5% shares in the company

	March 31, 2024		March 31, 2023	
	Number of shares	% of total shares	Number of shares	% of total shares
Equity Shares:				
Vijaya Diagnostic Centre Limited (Holding Company)	62,02,220	62.14%	62,02,220	62.14%

As per records the Company including registration of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares. Name of the Holding Company changed to Vijaya Diagnostic Centre Limited with effect from March 26, 2021 (formerly known as Vijaya Diagnostic Centre Private Limited).

## iv) Shares held by Holding Company

	March 31, 2024	March 31, 2023
Equity Shares:		
Vijaya Diagnostic Centre Limited	62,02,220	62,02,220

## v) Shares held by Promoters at the end of the year

	March 31, 2024			March 31, 2023		
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
Equity Shares:						
Vijaya Diagnostic Centre Limited (Holding Company)	62,02,220	62.14%	-	62,02,220	62.14%	-

## vi) Details of shares issued for consideration other than cash and bonus shares during last five years:

	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Shares issued for consideration other than cash	-	-	-	-	-
Bonus shares	-	-	-	-	-

## (b) Other equity

Reserves and surplus	As at March 31, 2024	As at March 31, 2023
(i) General reserve	62.46	62.46
(ii) Securities premium	51.55	51.55
(iii) Retained earnings	(1,316.29)	(1,392.78)
	(1,202.28)	(1,278.77)



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## i) General reserve

	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	62.46	62.46
Add: Movement during the year	-	-
Balance as at the end of the year	62.46	62.46

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

## ii) Securities premium

	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	51.55	51.55
Add: Movement during the year	-	-
Balance as at the end of the year	51.55	51.55

Securities premium is used to record the premium on issue of shares. It will be utilised in accordance with the provisions of the "Act".

## iii) Retained earnings

	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	(1,392.78)	(1,456.55)
Add: Profit for the year	75.27	63.00
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of defined benefit obligations (net of tax)	1.22	0.77
Balance as at the end of the year	(1,316.29)	(1,392.78)

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders. OCI represents remeasurement of defined benefit plans. Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified to statement of profit and loss.

<b>Total Other equity (i+ii+iii)</b>	<b>(1,202.28)</b>	<b>(1,278.77)</b>
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## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>10 Financial liabilities</b>		
(a) Non-Current borrowings		
Unsecured		
From related parties		
- from Holding Company	500.00	575.00
	<u>500.00</u>	<u>575.00</u>

Note:

i. Terms of Unsecured loans from related parties:

(a) Loan from Holding Company is repayable in 3 years from the date of sanction, and the loan carries an interest rate of 10% per annum.

(b) Trade payables

Total outstanding dues of micro and small enterprises (refer note 23)

3.03

0.58

Total outstanding dues of creditors other than micro and small enterprises \*

228.79

240.12

231.82240.70

\* Includes amount payable to related parties (refer note 27)

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	2.85	0.18	-	-	-	3.03
ii) Others	4.64	31.72	-	0.81	191.63	228.79
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>7.49</b>	<b>31.90</b>	<b>-</b>	<b>0.81</b>	<b>191.63</b>	<b>231.82</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	-	0.58	-	-	-	0.58
ii) Others	7.65	28.78	1.53	7.69	194.48	240.12
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>7.65</b>	<b>29.36</b>	<b>1.53</b>	<b>7.69</b>	<b>194.48</b>	<b>240.70</b>

(c) Other financial liabilities

Current

Payable to employees

20.10

27.70

Interest accrued but not due on borrowings

12.67

12.76

32.7740.46

11 Other liabilities

Current

Statutory liabilities

5.92

5.56

5.925.56

12 Provisions

Non-current

Provision for employee benefits:

- Gratuity (Refer note 26)

18.68

23.54

- Compensated absences

3.51

3.79

22.1927.32

Current

Provision for employee benefits:

- Gratuity (Refer note 26)

9.21

17.12

- Compensated absences

3.95

7.23

13.1624.35



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>13 Revenue from operations</b>		
Sale of services	774.40	772.11
Other operating revenue		
Franchise Management Fee	3.72	3.72
	<u>778.12</u>	<u>775.83</u>
<b>14 Other income</b>		
Interest income on bank deposits	1.16	3.14
Rent received	7.20	7.20
Other non-operating income	17.42	12.94
	<u>25.78</u>	<u>23.28</u>
<b>15 Cost of materials consumed</b>		
Inventory of materials as at the beginning of the year	11.25	16.56
Add: Purchases during the year	84.48	110.32
Less: Inventory of materials as at the end of the year	10.22	11.25
	<u>85.51</u>	<u>115.63</u>
<b>16 Employee benefits expense</b>		
Salaries, wages and bonus	153.63	159.76
Contribution to provident and other funds (refer note 26)	12.06	12.44
Gratuity (refer note 26)	5.48	5.02
Compensated absences	(0.43)	1.25
Staff welfare expenses	2.60	2.12
	<u>173.34</u>	<u>180.59</u>
<b>17 Finance costs</b>		
Interest on borrowings from holding company measured at amortised cost	57.40	57.50
	<u>57.40</u>	<u>57.50</u>
<b>18 Depreciation and amortisation expenses</b>		
Depreciation on property, plant and equipment	10.41	23.29
Amortisation of intangible assets	1.89	0.25
	<u>12.30</u>	<u>23.53</u>
<b>19 Other expenses</b>		
Power and fuel	19.81	16.71
Rent (refer note (ii) below)	49.97	43.48
Bank charges	3.40	3.34
Repairs and Maintenance		
a. Plant and equipment	37.26	35.93
b. Others	5.44	1.25
House keeping expenses	10.31	7.32
Insurance	0.77	0.74
Rates and taxes	8.54	9.13
Advertisement, publicity and marketing	7.31	6.56
Travelling and Conveyance	11.12	12.50
Legal and professional charges	119.13	117.42
Payment to auditors (refer note (i) below)	3.73	4.13
Postage and communication	10.95	11.23
Printing and stationery	-	0.04
Provision for doubtful receivables	18.00	0.01
Miscellaneous expenses	7.88	8.00
Advance/Deposit written off	-	13.38
	<u>313.62</u>	<u>291.76</u>
<b>Notes:</b>		
<b>i. Payment to auditors (inclusive of taxes)</b>		
Statutory Auditor		
• Statutory Audit Fee (including limited reviews)	3.05	2.95
• Tax Audit Fee	0.68	1.18
	<u>3.73</u>	<u>4.13</u>
<b>ii. Rent includes expense on low value lease of Rs. 3.36 (FY 2022-23, Rs. 1.21) and on short term lease of Rs. 46.61 (FY 2022-23 Rs.42.27)</b>		



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>20 Income-tax expense</b>		
(a) Amount recognised in statement of profit and loss		
Current tax	20.39	18.27
Earlier year's tax	0.01	2.01
Deferred tax attributable to temporary differences	6.00	3.79
<b>Tax expense</b>	<b>26.40</b>	<b>24.07</b>
(b) Amount recognised in other comprehensive income		
Deferred tax related to items recognised in OCI		
Deferred tax expense/(income) on remeasurements of defined benefit obligations	0.41	0.26
<b>Income-tax expense/(income) recognised in OCI</b>	<b>0.41</b>	<b>0.26</b>
(c) Reconciliation of tax expenses and the accounting profit multiplied by tax rate		
Profit before tax	101.67	87.07
Enacted tax rate in India	25.17%	25.17%
<b>Tax expense at enacted rates</b>	<b>25.59</b>	<b>21.92</b>
Tax effect of:		
Expenses disallowed for tax purpose	14.90	11.29
Allowances for tax purpose	(14.10)	(11.13)
Tax pertaining to earlier years	0.01	2.01
<b>Income-tax recognised in the statement of profit and loss</b>	<b>26.40</b>	<b>24.07</b>

(d) The following table provides the details of income tax assets and income tax liabilities:

	As at March 31, 2024	As at March 31, 2023
Income-tax assets, net	11.89	11.89
Current tax liabilities, net	(1.90)	(3.03)
	<b>9.99</b>	<b>8.86</b>

	Year ended March 31, 2024	Year ended March 31, 2023
Net current income-tax asset at the beginning of the year	8.86	13.52
Less: Current income tax expense	(20.39)	(18.27)
Less: Tax pertaining to earlier years	(0.01)	(2.01)
Add: Tax paid / (refund received) during the year	21.54	15.62
<b>Net income tax asset at the end of the year</b>	<b>9.99</b>	<b>8.86</b>



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**21 Contingent liabilities and commitments (to the extent not provided for)****Contingent liabilities**

Claims against the Company not acknowledged as debts.

As at March 31, 2024	As at March 31, 2023
Nil	Nil

**Capital and other commitments**

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)

Other commitments

As at March 31, 2024	As at March 31, 2023
Nil	Nil
Nil	Nil

**22 Earnings per share****Earnings for the year**

Net profit for the year attributable to equity shareholders (A)

75.27 63.00

**Shares**

Weighted average number of equity shares for Basic EPS (B)

99,81,640 99,81,640

Weighted average number of equity shares for Diluted EPS (C)

99,81,640 99,81,640

(a) Basic earnings per share of face value of Rs. 10 each (A/B)

0.75 0.63

(b) Diluted earnings per share of face value of Rs. 10 each (A/C)

0.75 0.63

**23 Dues to micro and small enterprises**

The details of Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	March 31, 2024	March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year,		
- Principal	3.03	0.58
- Interest	-	-
(b) the amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the each	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

Note: The list of undertakings covered under MSMED Act was determined by the Company on the basis of information available with the Company and has been relied upon by the auditors.

**24 Disclosure as per Section 186 of the Companies Act, 2013**

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of investments made are given in Note 5(a)
- Loans given by the Company is Nil (as at March 31, 2023: Nil)
- Guarantees given by the Company is Nil (as at March 31, 2023: Nil)

**25 Segment reporting****A. Basis for segmentation**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segment's results are reviewed regularly by the Company's Chairman and MD to make decisions about resources to be allocated to the segments and assess their performance.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators at operational unit level and since there is single operating segment, no segment disclosures of the company is presented. The Company's operations fall within a single business segment "Diagnostic services".

**B. Geographical information**

The Company operates within India and therefore there are no assets or liabilities outside India.

**C. Major customers**

Revenue from any single customer of the Company's operating segment does not exceed 10% of the total revenue reported and hence there are no major customers to be disclosed.



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 26 Employee benefit plans

The Company has following post employment benefit plans:

## (a) Defined contribution plans

Contributions were made to provident fund (at the rate of 12% of basic salary) and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation. The expense recognised during the year in the standalone statement of profit and loss towards defined contribution plan is Rs. 12.06 lakhs (March 31, 2023: Rs. 12.44 lakhs).

## (b) Defined benefit plan

The Company provides for Gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for Gratuity. The amount of Gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months, restricted to a sum of Rs. 20.00 lakhs. The gratuity plan is an unfunded plan.

This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

## i. Reconciliation of the net defined benefit (asset)/ liability

The amounts recognised in the balance sheet and the movements in the defined benefit obligation and fair value of plan assets over the year are as follows:

The amounts recognised in the balance sheet and the movements in the defined benefit obligation as per the valuation report as at March 31, 2024 are produced in the tables below

## (a) Changes in the Present Value of Obligation

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Present value of obligation as at the beginning	40.65	39.25
Current service cost	2.50	2.62
Interest expense or cost	2.97	2.39
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	0.14	(1.56)
- experience variance (i.e. Actual experience vs assumptions)	(1.77)	0.52
Benefits paid	(16.62)	(2.58)
Present value of obligation as at end	27.88	40.65

## (b) Bifurcation of Present Value of obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	As at	
	March 31, 2024	March 31, 2023
Current liability (Short-term)	9.21	17.12
Non-current liability (Long-term)	18.68	23.53
Present value of obligation	27.88	40.65

## (c) Expenses Recognised in the Statement of profit and loss

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Current service cost	2.50	2.62
Net interest cost / (income) on the net defined benefit liability / (asset)	2.97	2.39
Expenses recognised in the Statement of profit and loss	5.48	5.02

## (d) Other Comprehensive Income

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	0.14	(1.56)
- experience variance (i.e. Actual experience vs assumptions)	(1.77)	0.52
Components of defined benefit costs recognised in other comprehensive income	(1.63)	(1.03)



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**26 Employee benefit plans (continued)****(b) Defined benefit plan (continued)****ii. Actuarial assumptions**

Principal actuarial assumptions for defined benefit obligation are as follows:

	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.30%
Salary escalation rate	6.00%	6.00%
Attrition rate	15.00%	15.00%

**Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**Salary escalation rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

**Attrition rate:** Represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

**iii. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

	Increase in assumption by 1%		Decrease in assumption by 1%	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	-3.2%	-2.5%	3.4%	2.7%
Salary escalation rate	3.4%	2.7%	-3.3%	-2.6%
Attrition rate	-0.6%	-0.2%	0.1%	-0.3%

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**iv. Maturity profile of the defined benefit liability**

The weighted average duration of the defined benefit obligation is 3 years (March 31, 2023 - 2026). The expected maturity analysis of defined benefit obligation on an undiscounted basis is as follows:

	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
31 March 2024	9.21	19.16	4.38	3.68
31 March 2023	17.12	23.00	7.35	3.47



**Medinova Diagnostic Services Limited**

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**27 Related party disclosures****(a) Details of related parties**

Description of relationship	Name of the related parties
Holding Company	Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Subsidiary	Medinova Millennium MRI Services LLP
Key Management Personnel (KMP)	Dr. Sura Surendranath Reddy, Chairman Sunil Chandra Kondapelly, Managing Director Madhava Reddy Bueravelli, Chief Financial Officer (Upto December 31, 2023) Nikhil Rajmal Jain, Chief Financial Officer (w.e.f. January 31, 2024) Hansraj Singh Rajput, Company Secretary (w.e.f. February 1st, 2023) Vishnu Priya Reddy Birudavolu (w.e.f. August 14th 2019)
Close member of KMP	S.Geetha Reddy (Wife of Dr. Sura Surendranath Reddy, Chairman)
Independent Directors	Kamalaka Rao Ponnappalli (w.e.f. November 10th 2014) Ravindra Reddy Venga Reddy Kutagulla (Up to March 31st 2024)

**(b) Details of transactions during the year**

	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Vijaya Diagnostic Centre Limited</b>		
Diagnostic Services-Expense	14.16	34.96
Interest on Loan	57.40	51.50
Loan Repaid	75.00	-
Sale of consumables	-	0.97
Purchase of consumables	-	5.21
Rent Paid	43.54	47.48
Reimbursement of expenses	-	0.13
<b>Medinova Millennium MRI Services LLP</b>		
Diagnostic Services-Expense	10.20	3.01
Repayment of Advance	-	1.45
Rent received	8.50	8.50
<b>S.Geetha Reddy</b>		
Rental Deposit	-	1.85
Rent Paid	4.36	1.09
<b>Kamalaka Rao Ponnappalli</b>		
Independent directors sitting fee/commission	0.11	0.11
<b>Ravindra Reddy Venga Reddy Kutagulla</b>		
Independent directors sitting fee/commission	0.11	0.14

**(c) Amounts due (to)/ from related parties**

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured Loan</b>		
Vijaya Diagnostic Centre Limited	500.00	575.00
<b>Interest payable</b>		
Vijaya Diagnostic Centre Limited	12.67	12.76
<b>Rent Payable</b>		
S Geetha Reddy	0.33	0.23
<b>Creditors for services</b>		
Vijaya Diagnostic Centre Limited	195.97	195.44
Medinova Millennium MRI Services LLP	0.66	0.20
Advance from subsidiary		
Other receivables		
Medinova Millennium MRI Services LLP	0.00	0.65
<b>Investments</b>		
Medinova Millennium MRI Services LLP	296.82	296.82

**Notes:**

All transactions with these related parties are at arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash. None of the balances are secured. (All the amounts of transactions and balances disclosed in this note are gross and undiscounted).




## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 28 Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on equity so as to provide returns to shareholders, benefits to other stakeholders, creditors and to sustain future development and growth of the business. In order to maintain the capital structure, the Company monitors the return on capital as well as debt to total equity ratio. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of debt to total equity, debt includes its long-term and short-term borrowings. Total equity comprises of issued share capital and all other equity reserves. Since the total equity is negative, Gearing ratio is not given.

## 29 Financial instruments

## A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Note	March 31, 2024		March 31, 2023		Fair value level
		Amortised cost	Fair value	Amortised cost	Fair value	
<b>Financial assets</b>						
Investments	5 (a)	296.82	-	296.82	-	Level 3
Trade receivables	5 (b)	37.23	-	67.20	-	Level 3
Security deposits	5 (c)	15.92	-	16.16	-	Level 3
Bank deposits	5 (c)	9.33	-	9.27	-	Level 3
Cash and cash equivalents	5 (d)	61.20	-	61.31	-	Level 3
Other bank balances	5 (e)	-	-	-	-	Level 3
Other financial assets	5 (e)	0.76	-	0.10	-	Level 3
<b>Total financial assets</b>		<b>421.23</b>	<b>-</b>	<b>450.87</b>	<b>-</b>	
<b>Financial liabilities</b>						
Borrowings	10 (a)	500.00	-	575.00	-	Level 3
Trade payables	10 (b)	231.82	-	240.70	-	Level 3
Other financial liabilities	10 (c)	32.77	-	40.46	-	Level 3
<b>Total financial liabilities</b>		<b>764.59</b>	<b>-</b>	<b>856.16</b>	<b>-</b>	

Note: The Company has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.





# Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 29 Financial instruments (continued)

### B. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits, bank deposits and loans	Ageing analysis, Credit score of customers/ entities	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits and investment in mutual funds.

The Company's risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

#### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans.

The Company has no significant concentration of credit risk with any counterparty.

#### Trade receivables and loans:

Customer credit risk is managed by the respective department subject to Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Company. Outstanding customer receivables are regularly monitored.

#### Expected credit loss (ECL) assessment for individual customers:

As per simplified approach, the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date.

The ageing analysis of the receivables has been considered from the date the invoice falls due

	< 365 days	> 365 days	Provision	Total
March 31, 2024	36.55	19.96	(19.28)	37.23
March 31, 2023	48.59	19.89	(1.28)	67.20

Management believes that the unimpaired amounts that are past due by more than 365 days (P.Y. 730 days) are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables is as follows:

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	1.27	1.69
Add: Allowance measured at lifetime expected credit loss	18.01	(0.42)
Less: Amounts written off		
Balance at the end of the year	19.28	1.27

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by credit rating agencies. Investments primarily include investments in subsidiaries.



*[Handwritten signature]*



**Medinova Diagnostic Services Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**29 Financial instruments (continued)**

**ii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The finance team monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash outflows on trade payables and other financial liabilities and any excess/short liquidity is managed in the form of current borrowings and bank deposits and as per the approved frame work.

**Exposure to liability risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2024	Carrying	Total	Contractual cash flows			
			Less than 1 year	1-2 years	2-5 years	More than 5 years
Borrowings	500.00	500.00		500.00		
Trade payables	231.82	231.82		231.82		
Other financial liabilities	(467.23)	(467.23)		(467.23)		
	<b>264.59</b>	<b>264.59</b>				

March 31, 2023	Carrying	Total	Contractual cash flows			
			Less than 1 year	1-2 years	2-5 years	More than 5 years
Borrowings	575.00	575.00		575.00		
Trade payables	240.70	240.70		240.70		
Other financial liabilities	40.46	40.46		40.46		
	<b>856.16</b>	<b>856.16</b>				

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

**iii. Market risk**

Market risk is the risk that results from changes in market prices - such as foreign exchange rates, interest rates and others which will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.



**Medinova Diagnostic Services Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**30 Disclosure as per Ind AS 115 - Revenue from contracts with customers**

	As at March 31, 2024	As at March 31, 2023
<b>Contract assets</b>		
- Unbilled	-	-
- Trade receivables	37.23	67.20
<b>Contract liabilities</b>		
- Advances from customers	-	-
- Contract liability- deferred revenue	-	-

**Reconciliation of revenue from contract with customers**

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from contract with customer	761.71	757.11
Adjustments made to contract price on		
Discount / Rebates	12.69	15.01
Revenue from contract with customer	774.40	772.11
Other operating revenue	3.72	3.72
Revenue from operations	778.12	775.83

**31 Code on Social Security, 2020:**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 33 Ratios

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	March 31, 2024	March 31, 2023
Current Assets	115.44	147.74
Current Liabilities	285.57	314.10
Ratio	0.40	0.47
% Change from previous year	-14%	

b) Debt Equity ratio = Total debt divided by Total equity

Since the total equity is negative, ratio is not given

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	March 31, 2024	March 31, 2023
Profit after tax	75.27	63.00
Add: Non cash operating expenses and finance cost	69.70	81.03
- Depreciation and amortizations	12.30	23.53
- Finance cost	57.40	57.50
Earnings available for debt services	144.97	144.03
Interest cost on borrowings	57.40	57.50
Instalments	75.00	-
Total Interest and instalments	132.40	57.50
Ratio	1.09	2.50
% Change from previous year	-56%	

Reasons for change more than 25%:

This ratio has increased from 2.50 in March 2023 to 1.09 in March 2024 mainly due to increase in Profit after tax and part repayment of loan

d) Return on Equity Ratio = Net profit after tax divided by Equity

Since the total equity is negative, this ratio is not given

e) Inventory Turnover Ratio = Cost of goods sold divided by closing inventory

Particulars	March 31, 2024	March 31, 2023
Cost of Goods sold	86	116
Closing Inventory	10	11
Inventory Turnover Ratio	8	10
% Change from previous year	-19%	

e) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	March 31, 2024	March 31, 2023
Credit Sales	129.87	134.44
Closing Trade Receivables	37.23	67.20
Ratio	3.49	2.00
% Change from previous year	74%	

Reason for change more than 25%:

This ratio has increased from 2.00 in March 2023 to 3.49 in March 2024 mainly due to decrease in Credit Sales and decrease in trade receivables

f) Trade payables turnover ratio = Credit purchases divided by closing trade payables

Particulars	March 31, 2024	March 31, 2023
Credit Purchases	398.10	402.08
Closing Trade Payables	231.82	240.70
Ratio	1.72	1.67
% Change from previous year	3%	



## Medinova Diagnostic Services Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024 (continued)

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

g) Net capital Turnover Ratio = Sales divided by Working capital whereas working capital= current assets - current liabilities

As the working capital is negative, this ratio is not given.

h) Net profit ratio = Net profit after tax divided by Sales

Particulars	March 31, 2024	March 31, 2023
Net profit after tax	75.27	63.00
Sales	778.12	775.83
Ratio	9.67%	8.12%
% Change from previous year	19%	

i) Return on Capital employed

Particulars	March 31, 2024	March 31, 2023
Profit before interest and tax	159.07	144.57
Capital Employed:	315.59	319.23
Total Assets	601.16	633.33
Less: Current Liabilities	(285.57)	(314.10)
Ratio	0.50	0.45
% Change from previous year	11%	

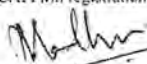
Note: Return on investment ratio is not applicable to the company

## 34 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.
- The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - 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
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- The Company has not entered into any 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).
- The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

For M. Anandam & Co.  
Chartered Accountants

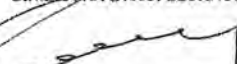
ICAI Firm registration number: 006133

  
 Madhuri Chimalgi  
Partner

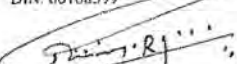
Membership Number: 23595

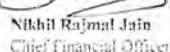
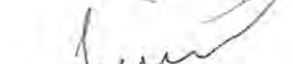
For and on behalf of the Board of Directors of  
Medinova Diagnostic Services Limited

CIN: L8510TG1993PLC015481

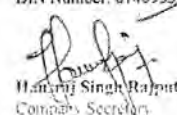
  
 Dr. Sura Surendranath Reddy  
Chairman

DIN: 00108599

  
 Nikhil Rajmal Jain  
Chief Financial Officer


  
 Sunil Chandra Kondapally  
Managing Director

DIN Number: 01409332

  
 Harshraj Singh Rajput  
Company Secretary

Place: Hyderabad

Date: 26 Apr, 2024

Place: Hyderabad

Date: 26 Apr, 2024



**M. ANANDAM & CO.,**  
**CHARTERED ACCOUNTANTS**

**Independent Auditor's Report**

To the Members of Medinova Diagnostic Services Limited

Report on the Audit of the Consolidated Financial Statements

**Opinion**

We have audited the consolidated financial statements of Medinova Diagnostic Services Limited (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary Medinova Millennium MRI Services LLP (the Holding Company and its wholly owned subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

7 'A', SURYA TOWERS, SARDAR PATEL ROAD, SECUNDERABAD – 500003.  
 PHONE: 2781 2377, 2781 2034, FAX: 2781 2091



For VIJAYA DIAGNOSTIC CENTRE LIMITED

*[Signature]*  
 Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.

*[Signature]*  
 Authorised Signatory

M. Anandam & Co.,  
Chartered Accountants

#### Information Other than Financial Statements (Other Information)

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective management of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective management of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of





M. Anandam & Co.,  
Chartered Accountants

assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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



M. Anandam & Co.,  
Chartered Accountants

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) The Holding Company has not paid any remuneration to its directors during the year. Hence the provisions of section 197 of the Act are not applicable.





M. Anandam & Co.,  
Chartered Accountants

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

i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements (Refer Note No. 21 of the consolidated financial statements).

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

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

iv. (a) The respective Managements of the Holding Company and its subsidiary have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Holding Company and its subsidiary have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend was declared or paid during the year by the Holding Company, hence, the provisions of section 123 of the Act are not applicable.



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M. Anandam & Co.,  
Chartered Accountants

vi. Based on our examination which included test checks the Holding company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. This clause is not applicable to the subsidiary.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company we report that there are no qualifications or adverse remarks in this CARO report. Reporting under this clause is not applicable to the subsidiary.

For M. Anandam & Co.,  
Chartered Accountants

(Firm's Registration No. 0000255)

Madhuri Chimala

Partner

Membership No. 235955



UDIN: 24235955BKCJUW4035

Place: Hyderabad

Date: 26 April, 2024



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M. Anandam & Co.,  
Chartered Accountants

#### Annexure "A" to the Independent Auditor's Report

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

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

#### Opinion

We have audited the internal financial controls with reference to the consolidated financial statements of Medinova Diagnostic Services Limited ("the Holding Company") as of 31 March 2024 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Inherent Limitations of Internal Financial Controls with reference to the consolidated financial statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting



M. Anandam & Co.,  
Chartered Accountants

(the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls with reference to the consolidated financial statements

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

For M. Anandam & Co.,  
Chartered Accountants

(Firm's Registration No. 000175)

*Madhuri*

Madhuri Chimalgi  
Partner

Membership No. 235555



UDIN: 24235955BKCUW4035

Place: Hyderabad  
Date: 26 April, 2024



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## Medinova Diagnostic Services Limited

Consolidated Balance Sheet as at March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	4 (a)	159.92	154.85
(b) Intangible assets	4 (b)	3.64	0.40
(c) Financial assets			
(i) Other financial assets	5 (b)	55.27	55.44
(d) Deferred tax assets, (net)	6	47.36	55.37
(e) Non-current tax assets, (net)	20 (d)	11.89	13.17
<b>Total non-current assets</b>		<b>278.08</b>	<b>278.84</b>
<b>II Current assets</b>			
(a) Inventories	7	13.58	12.22
(b) Financial assets			
(i) Trade receivables	5 (a)	42.58	70.28
(ii) Cash and cash equivalents	5 (c)	191.49	77.96
(iii) Other financial assets	5 (d)	3.25	0.32
(c) Current tax assets (net)	20 (d)	2.71	-
(d) Other current assets	8	6.36	8.27
<b>Total current assets</b>		<b>259.97</b>	<b>169.05</b>
<b>TOTAL ASSETS (I + II)</b>		<b>538.05</b>	<b>447.89</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	9 (a)	995.68	995.68
(b) Other equity	9 (b)	(1,308.14)	(1,509.25)
Equity attributable to owners of Parent Company		(312.46)	(513.57)
Non-controlling interest		-	-
<b>Total equity</b>		<b>(312.46)</b>	<b>(513.57)</b>
<b>Liabilities</b>			
<b>II Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	10 (a)	500.00	575.00
(b) Provisions	12	22.19	27.32
<b>Total non-current liabilities</b>		<b>522.19</b>	<b>602.32</b>
<b>III Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	10 (a)	-	-
(ii) Trade payables	10 (b)	-	-
Total outstanding dues of micro and small enterprises		3.70	0.58
Total outstanding dues of creditors other than micro and small enterprises		233.45	247.92
(iii) Other financial liabilities	10 (c)	34.26	41.91
(b) Other current liabilities	11	6.67	6.17
(c) Provisions	12	48.34	59.53
(d) Current tax liabilities (net)	20 (d)	1.90	3.03
<b>Total current liabilities</b>		<b>328.32</b>	<b>359.14</b>
<b>Total liabilities (II + III)</b>		<b>850.51</b>	<b>961.46</b>
<b>TOTAL EQUITY AND LIABILITIES (I + II + III)</b>		<b>538.05</b>	<b>447.89</b>
<b>Corporate information</b>			
Basis of preparation and measurement and material accounting policies	2&3		

The notes referred to above form an integral part of the consolidated financial statements.

As per our Report of even date attached

For M. Anandam &amp; Co.

Chartered Accountants

ICAI Firm registration number: 0001523

Madhuri Chimalgi

Partner

Membership Number: 235955

Place: Hyderabad

Date: 26.04.2024

For and on behalf of the Board of Directors of  
Medinova Diagnostic Services Limited  
CIN:L85110TG1993PLC015481

Dr. Sura Surendraiah Reddy  
Chairman  
DIN: 00108599

Nikhil Rajmal Jain  
Chief Financial Officer



Sunil Chandra Kondapally  
Managing Director  
DIN: 01409332

Hanraj Singh Rajput  
Company Secretary

Place: Hyderabad

Date: 26.04.2024

For VIJAYA DIAGNOSTIC CENTRE LIMITED

Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.

Authorized Signatory

Medinova Diagnostic Services Limited  
Consolidated Statement of Profit and Loss for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>1 Income</b>			
(a) Revenue from operations	13	1,016.52	999.30
(b) Other income	14	19.82	22.51
<b>Total income</b>		<b>1,036.34</b>	<b>1,021.81</b>
<b>2 Expenses</b>			
(a) Cost of materials consumed	15	100.29	129.45
(b) Employee benefits expense	16	190.40	198.09
(c) Testing Fees		49.86	40.02
(d) Finance costs	17	57.40	59.93
(e) Depreciation and amortisation expenses	18	12.73	32.58
(f) Other expenses	19	397.77	371.73
<b>Total expenses</b>		<b>808.45</b>	<b>831.80</b>
<b>3 Profit before tax [1 - 2]</b>		<b>227.89</b>	<b>190.01</b>
<b>4 Tax expense</b>	20		
(a) Current tax		20.39	18.27
(b) Earlier year's tax		0.01	2.01
(c) Deferred tax		7.60	3.21
<b>Total tax expense</b>		<b>28.00</b>	<b>23.49</b>
<b>5 Profit for the year [3-4]</b>		<b>199.89</b>	<b>166.52</b>
<b>6 Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
(a) Remeasurement of the defined benefit obligations		1.63	1.03
(b) Income-tax relating to above item	20	(0.41)	(0.26)
<b>Other comprehensive income for the year (net of tax)</b>		<b>1.22</b>	<b>0.77</b>
<b>7 Total comprehensive income for the year [5+6]</b>		<b>201.11</b>	<b>167.29</b>
<b>Profit for the year attributable to Owners</b>		<b>199.89</b>	<b>166.52</b>
<b>Profit/(Loss) for the year attributable to Non-controlling interests</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to Owners</b>		<b>201.11</b>	<b>167.29</b>
<b>Total comprehensive income/(loss) attributable to Non-controlling interests</b>		<b>-</b>	<b>-</b>
<b>Earnings per equity share (face value of Rs. 10 each fully paid up)</b>	22		
- Basic (in Rs.)		2.00	1.67
- Diluted (in Rs.)		2.00	1.67
<b>Corporate information</b>	1		
<b>Basis of preparation and measurement and material accounting policies</b>	2&3		
The notes referred to above form an integral part of the consolidated financial statements.			

As per our Report of even date attached  
For M. Anandam & Co.  
Chartered Accountants  
ICAI Firm registration number: 0401255

Madhuri Chimalgi  
Partner  
Membership Number: 2319652

Place: Hyderabad  
Date : 26.04.2024

For and on behalf of the Board of Directors  
Medinova Diagnostic Services Limited  
CIN:L85110TG1993PLC015481

Dr. Sura Surendranath Reddy  
Chairman  
DIN: 00108599

Sura Chandra Kondapally  
Managing Director  
DIN: 01409332

Nikhil Rajmal Jain  
Chief Financial Officer

Place: Hyderabad  
Date : 26.04.2024

Hansraj Singh Rajput  
Company Secretary





## Medinova Diagnostic Services Limited

Consolidated Statement of cash flows for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	227.89	190.01
Adjustments for:		
Depreciation and amortisation expenses	12.73	32.58
Net gain on sale of property, plant and equipment	(0.09)	-
Interest income	(3.49)	(3.14)
Provision for credit impaired receivables	18.00	0.01
Finance costs	57.40	2.43
Liabilities no longer required written back	(4.48)	(10.89)
<b>Operating profit before changes in assets and liabilities</b>	<b>307.96</b>	<b>211.03</b>
Changes in working capital items:		
(Increase)/ Decrease in inventories	(1.36)	5.46
(Increase)/ Decrease in trade receivables	9.70	(18.53)
(Increase)/ Decrease in other financial assets	(0.09)	33.87
(Increase)/ Decrease in other current assets	1.90	(3.23)
(Increase)/ Decrease in Non current tax assets	(11.57)	(10.63)
Increase/ (Decrease) in trade payables	(6.87)	(75.85)
Decrease in provisions and other liabilities	(15.82)	6.10
Increase in other current liabilities	(7.66)	1.18
<b>Cash generated from operations</b>	<b>276.80</b>	<b>149.40</b>
Income tax paid	(10.25)	(7.50)
<b>Net cash generated from operating activities (A)</b>	<b>266.55</b>	<b>141.90</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(21.47)	(38.68)
Proceeds from sale of property, plant and equipment	0.11	-
Interest received	0.83	4.71
<b>Net cash outflow from investing activities (B)</b>	<b>(20.53)</b>	<b>(33.96)</b>
<b>C. Cash flows from financing activities</b>		
Borrowing/ (Repayment) of Loan from Holding Company	(75.00)	-
Proceeds from/ (Repayments of) short-term borrowings, net	-	(63.46)
Interest paid	(57.49)	(21.94)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(132.49)</b>	<b>(85.40)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>113.53</b>	<b>22.54</b>
Cash and cash equivalents at the beginning of the year	77.96	55.42
<b>Cash and cash equivalents at end of the year</b>	<b>191.49</b>	<b>77.96</b>

Note:

(a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.

(b) Cash and cash equivalents mentioned above comprise the following:

	As at March 31, 2024	As at March 31, 2023
Cash on hand	2.56	1.55
Balances with banks		
- in current accounts	88.93	76.41
- in deposits have maturity period of less than 3 months	100.00	-
<b>Total cash and cash equivalents (refer note 5(c))</b>	<b>191.49</b>	<b>77.96</b>

## (c) Net Debt Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance of borrowings	575.00	638.46
Add:- Proceeds from borrowings during the year	-	-
Less:- Repayment of borrowings during the year	(75.00)	(63.46)
Fair Value Adjustment	-	-
<b>Closing balance of borrowings</b>	<b>500.00</b>	<b>575.00</b>

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For M. Anandam &amp; Co.

Chartered Accountants

ICAI Firm registration number

Madhuri Chimalgi  
Partner

Membership Number: 238035

Place: Hyderabad

Date: 26.04.2024

For and on behalf of the Board of Directors

Medinova Diagnostic Services Limited

CIN: L85109TG1993PLC015481

B. Suresh Reddy  
Chairman

DIN: 00109599

Nikhil Rajmat Jain  
Chief Financial Officer

Place: Hyderabad

Date: 26.04.2024

Sudil Chandra Kondegally  
Managing Director

DIN: 01400532

Hansraj Singh Rajput  
Company Secretary



**Medinova Diagnostic Services Limited**

Consolidated Statement of changes in equity for the year ended march 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**A. Equity Share Capital**

Particulars	Note	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	9(a)	995.68	995.68
Add: Changes in equity share capital during the year		-	-
Balance at the end of the year		995.68	995.68

Particulars	General reserve	Securities premium	Retained earnings	Total attributable to owners of the Company	Total attributable to Non-controlling interest	Total
Balance as at April 01, 2023	62.46	51.55	(1,623.27)	(1,509.25)	-	(1,509.25)
Profit/(Loss) for the year	-	-	199.89	199.89	-	199.89
Other comprehensive income, net of tax	-	-	1.22	1.22	-	1.22
Total comprehensive income for the year	-	-	201.11	201.11	-	201.11
Balance at March 31, 2024	62.46	51.55	(1,422.16)	(1,308.15)	-	(1,308.15)

Particulars	General reserve	Securities premium	Retained earnings	Total attributable to owners of the Company	Total attributable to Non-controlling interest	Total
Balance as at April 01, 2022	62.46	51.55	(1,790.56)	(1,676.56)	-	(1,676.56)
Profit/(Loss) for the year	-	-	166.52	166.52	-	166.52
Other comprehensive income, net of tax	-	-	0.77	0.77	-	0.77
Total comprehensive income for the year	-	-	167.29	167.29	-	167.29
Balance at March 31, 2023	62.46	51.55	(1,623.27)	(1,509.25)	-	(1,509.25)

For M. Anandam &amp; Co.

Chartered Accountants



Madhuri Chimalgi

Partner

Membership Number: 23597

Place: Hyderabad

Date : 26.04.2024



For and on behalf of the Board of Directors

Medinova Diagnostic Services Limited

CIN: L85110TG1903PLC015481

Dr. Sura Surendranath Reddy

Chairman

DIN: 00108599

Nikhil Rajmal Jain

Chief Financial Officer

Place: Hyderabad

Date : 26.04.2024



Sunil Chandra Kondapally

Managing Director

DIN: 01409332

Hansraj Singh Rajput

Company Secretary

**Medinova Diagnostic Services Limited**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

**1 Corporate Information**

Medinova Diagnostic Services Limited ("the Company" or "the Parent Company") together with its subsidiary (collectively, "the Group") is a Public limited Company domiciled in India and was incorporated on March, 11, 1993 under the provisions of the Companies Act 2013 applicable in India. The registered office of the Company is located at # 7-1-58, Unit No.1/Flat No. 301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad - 500 016, Telangana, India. The Company is a subsidiary of Vijaya Diagnostic Centre Limited.

The Group is engaged in the business of providing comprehensive range of diagnostic services spanning pathological investigations, radiology & imaging, conventional, specialized lab services and diagnostic cardiology.

**2 Basis of preparation and measurement****(i) Statement of compliance**

These consolidated financial statements (hereinafter referred to as 'consolidated financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act under the historical cost convention on an accrual basis except for certain financial instruments, equity settled share based payments, which are measured at fair values, notified under the Act and Rules prescribed thereunder.

The consolidated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 26th April, 2024.

**(ii) Functional and presentation currency**

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest lakhs except share data or as otherwise stated.

**(iii) Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Net defined benefit (asset)/ liability : Fair value of plan assets less present value of defined benefit obligations
- Borrowings : Amortised cost using effective interest rate method

**(iv) Use of estimates and judgements**

In preparing these consolidated financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 6- Deferred tax assets: whether the Company has convincing evidence to recognise deferred tax assets

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 4 (a) – determining an asset's expected useful life and the expected residual value at the end of its life;
- Note 5 (b) – Impairment of financial assets;
- Note 25 – measurement of defined benefit obligations: key actuarial assumptions;
- Notes 12 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;



**Medinova Diagnostic Services Limited**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

**2 Basis of preparation and measurement (continued)****(v) Measurement of fair values**

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 28 - Financial instruments

**(vi) Principles of consolidation****a. Subsidiaries**

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee;
- (ii) Rights arising from other contractual arrangements;
- (iii) The Group's voting rights and potential voting rights;
- (iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.



## Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31.

**2 Basis of preparation (continued)****b. Consolidation procedures:**

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

**c. Non-controlling interests (NCI)**

NCI is measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**d. Loss of control**

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- (ii) Derecognises the carrying amount of any non-controlling interests.
- (iii) Derecognises the cumulative translation differences recorded in equity.
- (iv) Recognises the fair value of the consideration received.
- (v) Recognises the fair value of any investment retained.
- (vi) Recognises any surplus or deficit in profit or loss.
- (vii) Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**e. Subsidiaries considered in the consolidated financial statements:**

S.No.	Name of the entity	Relationship	Country of incorporation	Ownership interest in %	
				March 31, 2024	March 31, 2023
I	Medinova Millennium MRI Services LLP	Wholly Owned subsidiary	India	100.00%	100.00%

**2 Basis of preparation (continued)****(vii) Current and non-current classification:**

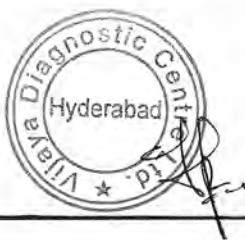
The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

**Assets**

An asset is classified as a current when it is:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is expected to be realized within twelve months from the reporting date,
- it is held primarily for the purposes of being traded, or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current



**Medinova Diagnostic Services Limited**

Notes to Consolidated Financial Statements for the year ended March 31, 2024

**Liabilities**

A liability is classified as a current when:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
  - it is due to be settled within twelve months from the reporting date;
  - it is held primarily for the purposes of being traded;
  - Deferred tax assets/liabilities are classified as non-current.
  - the Group does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.
- All other liabilities are classified as non-current.

**Operating Cycle**

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

**3 Summary of material accounting policies****A. Revenue recognition****i) Income from diagnostic services**

Revenue from diagnostics services is recognized on amount billed net of discounts/ concessions if any. No element of financing is deemed present as the sales are made primarily on cash and carry basis, however for institutional/ organisational customers a credit period of 30 days is given, which is consistent with market practice.

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfer services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the underlying tests are conducted, samples are processed for requisitioned diagnostic tests. Each service is generally a separate performance obligation and therefore revenue is recognised at a point in time when the tests are conducted, samples are processed. For multiple tests, the Group measures the revenue in respect of each performance obligation at its relative stand alone selling price and the transaction price is allocated accordingly. The price that is regularly charged for a test separately registered is considered to be the best evidence of its stand alone selling price. Revenue contracts are on principal to principal basis and the Group is primarily responsible for fulfilling the performance obligation.

**B. Recognition of interest income**

Interest income is recognised using the effective interest rate method.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.






**Medinova Diagnostic Services Limited**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2024**

**3 Summary of significant accounting policies (continued)**

**C. Borrowing cost**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**D. Financial instruments**

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

**i) Initial measurement and recognition**

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**ii) Classification and subsequent measurement**

**Financial assets**

All financial assets are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**Subsequent measurement**

For the purpose of subsequent measurement, financial assets are categorised as under:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Equity investments at FVOCI:** These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

**Financial Liabilities:**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

**Derecognition - Financial assets**

A financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.



Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024

3 Summary of significant accounting policies (continued)

**Derecognition - Financial liabilities**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

**Financial Instruments Offsetting**

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**E. Property, plant and equipment**

**i) Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

**ii) Depreciation**

Depreciation is provided using the Written down value Method ("WDV") upto 31st December 2022, over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Assets costing below Rs. 5,000 are depreciated in full in the same year.

With effect from 1st January 2023, the Group has changed its method of depreciation on all Property, Plant and Equipment from Written Down Value ("WDV") method to Straight Line Method ("SLM"), based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the assets.

The Group entities, based on technical assessment and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	Useful life estimated by the Management	Useful life as per Schedule II
Leasehold improvements	10 years	10 years
Plant and machinery	5 to 10 years	13 to 15 years
Furniture and fixtures	5 to 10 years	5 to 10 years
Computers and networks	3 to 6 years	3 to 6 years

Residual value is considered to be 5% on all the assets, as technically estimated by the management.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the statement of profit and loss.

**F. Intangible assets**

**i) Recognition and measurement**

Intangible assets that are acquired, are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

**ii) Amortization**

Upto 31st December 2022, amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the "written down value" (WDV) method, and is included in depreciation and amortization in statement of profit and loss.

With effect from 1st January 2023, the Group has changed its method of amortization from Written Down Value ("WDV") method to Straight Line Method ("SLM"), based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the intangible assets.

The estimated useful life is as follows:

- Software - 3 years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.



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Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024

3 Summary of significant accounting policies (continued)

G. Capital work in progress

Capital work-in-progress is recognized at cost. It comprises of property, plant and equipment that are not yet ready for their intended use at the reporting date.

H. Inventories

Inventories comprise of diagnostic kits, reagents, laboratory chemicals and consumables, these are valued at lower of cost and net realizable value. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for recoverable taxes, if any. Cost is determined on First-in-First-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

I. Impairment of assets

i) *Impairment of financial instruments*

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

*Measurement of expected credit losses*

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

*Presentation of allowance for expected credit losses in the balance sheet*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

*Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.



## Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

## 3 Summary of significant accounting policies (continued)

## (ii) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognised.

## J. Employee benefits

## (i) Short-term employee benefits

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

## (ii) Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

## (iii) Defined benefit plans:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

## (iv) Other long-term employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period by a qualified actuary using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.



**Medinova Diagnostic Services Limited**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2024**

**3 Summary of significant accounting policies (continued)**

**K. Leases**

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

**Company as a Lessor:**

Leases for which the Company is a lessor are classified as a finance or operating lease. When ever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income from operating leases is recognised on straight line basis over the term of relevant lease.

**Company as a Lessee:**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

**L. Income-tax**

Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – Unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.



## Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

## 3 Summary of significant accounting policies (continued)

## M. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for.

## Contingencies:

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

## Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

## N. Earnings per share

Basic Earnings Per Share ("EPS") is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

## O. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

## P. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## Q. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

## R. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

4 (a) Property, plant and equipment

Particulars	Leasehold improvements *	Plant and equipment	Furniture and fixtures	Computers	Office equipment	Electrical equipment	Total
<b>A. Gross carrying amount (at cost)</b>							
As at April 01, 2022	33.81	797.93	38.13	27.16	0.14	-	897.16
Additions	11.07	17.99	-	0.67	1.08	7.87	38.68
Deletions	-	-	-	-	-	-	-
As at March 31, 2023	44.89	815.92	38.13	27.83	1.22	7.87	935.84
Additions	1.61	3.25	2.24	0.42	0.27	8.56	16.34
Deletions	-	(0.35)	-	-	-	-	(0.35)
As at March 31, 2024	46.49	818.82	40.37	28.25	1.49	16.42	951.82
<b>B. Accumulated depreciation</b>							
As at April 01, 2022	24.83	666.56	34.48	23.16	0.02	-	749.04
For the year ended	3.97	25.00	0.78	1.10	0.16	1.32	32.34
Deletions	-	-	-	-	-	-	-
As at March 31, 2023	28.80	691.56	35.26	24.26	0.18	1.32	781.38
For the year ended	2.29	5.98	0.24	0.79	0.26	1.28	10.84
Deletions	-	(0.33)	-	-	-	-	(0.33)
As at March 31, 2024	31.09	697.21	35.50	25.05	0.44	2.59	791.90
<b>C. Net carrying amount (A-B)</b>							
As at March 31, 2024	15.39	121.62	4.87	3.19	1.05	13.83	159.92
As at March 31, 2023	16.08	124.36	2.87	3.56	1.04	6.55	154.45

\* Leasehold improvements are the interiors/civil works carried out by the group at the diagnostic centre taken on lease.



Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 4(b) Intangible assets

Particulars	Amount
<b>Software</b>	
<b>A. Gross carrying amount (at cost)</b>	
As at April 01, 2022	0.88
Additions	-
Deletions	-
As at March 31, 2023	0.88
Additions	5.13
Deletions	-
As at March 31, 2024	6.01
<b>B. Accumulated amortization</b>	
As at April 01, 2022	0.23
For the year ended	0.25
Deletions	-
As at March 31, 2023	0.48
For the year ended	1.89
Deletions	-
As at March 31, 2024	2.37
<b>C. Net carrying amount</b>	
As at March 31, 2024	3.64
As at March 31, 2023	0.40






Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>5 Financial assets</b>		
<b>(a) Trade receivables</b>		
Current		
Unsecured, considered good *	42.58	70.28
Credit impaired	19.28	1.28
Less: Allowance for doubtful receivables (expected credit loss allowance)	(19.28)	(1.28)
	<u>42.58</u>	<u>70.28</u>

\* Includes amount receivable from related parties (refer note 26)

As on March 31, 2024

Particulars	Outstanding for following periods from due date of receipt					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables – considered good	40.15	1.75	0.68	-	-	42.58
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.19	1.55	17.54	19.28
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>40.15</b>	<b>1.75</b>	<b>0.87</b>	<b>1.55</b>	<b>17.54</b>	<b>61.86</b>
Expected credit loss rate	-	-	21.84%	100.00%	100.00%	
Loss Allowance - B	-	-	0.19	1.55	17.54	19.28
<b>Carrying amount of trade receivables (C=A-B)</b>	<b>40.15</b>	<b>1.75</b>	<b>0.68</b>	<b>-</b>	<b>-</b>	<b>42.58</b>

As on March 31, 2023

Particulars	Outstanding for following periods from due date of receipt					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables – considered good	48.88	0.86	1.74	11.36	7.44	70.28
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.46	0.82	1.28
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>48.88</b>	<b>0.86</b>	<b>1.74</b>	<b>11.81</b>	<b>8.26</b>	<b>71.56</b>
Expected credit loss rate	-	-	0.00%	3.99%	10.0%	
Loss Allowance - B	-	-	-	0.46	0.82	1.28
<b>Carrying amount of trade receivables (C=A-B)</b>	<b>48.88</b>	<b>0.86</b>	<b>1.74</b>	<b>11.36</b>	<b>7.44</b>	<b>70.28</b>



*[Handwritten signature]*



Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2024	As at March 31, 2023		
(b) Other financial assets				
Non-current				
(Unsecured, considered good)				
Security deposits	15.92	16.17		
Deposits having remaining maturity of more than 12 months #	39.35	39.27		
	55.27	55.44		
# Includes Fixed deposit of Rs. 9.35 lakhs towards bank guarantee (March 31, 2023: Rs 9.27 lakhs)				
(c) Cash and cash equivalents				
Cash on hand	2.56	1.55		
Balances with banks				
- in current accounts	88.93	76.41		
- in deposit accounts having remaining maturity of less than 3 months	100.00	-		
	191.49	77.96		
(d) Other financial assets				
(Unsecured, considered good)				
Current				
Interest accrued on bank deposits and others	2.98	0.32		
Security deposits	0.27	-		
	3.25	0.32		
6 Deferred tax asset/(liabilities), net				
Deferred tax assets				
- On account of property, plant and equipment	22.64	31.07		
- On account of decommissioning liability	10.98	10.98		
- On account of expenses allowable on payment basis	13.74	13.31		
Deferred tax asset/(liabilities), net	47.36	55.37		
Movement in deferred tax assets/ (liabilities)				
On account of	Property, plant and equipment	Expenses allowable on payment basis	Provision for decommissioning liability	Total
As at April 01, 2022	35.38	12.81	10.65	58.83
(Charged)/ credited:				
- to profit and loss	(4.31)	0.77	0.33	(3.21)
- to OCI	-	(0.26)	-	(0.26)
As at March 31, 2023	31.07	13.31	10.98	55.37
(Charged)/credited:				
- to profit and loss	(8.44)	0.84	-	(7.60)
- to OCI	-	(0.41)	-	(0.41)
As at March 31, 2024	22.64	13.74	10.98	47.36
7 Inventories				
(Valued at lower of cost and net realisable value)				
Reagents, chemicals, digital imaging films and consumables			13.58	12.22
			13.58	12.22
8 Other assets				
Current				
Prepaid expenses			6.25	7.67
Advances for expenses			-	0.49
GST Input Tax Credit			0.11	0.11
			6.36	8.27



Medinova Diagnostic Services Limited  
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(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>9 Equity</b>		
Authorised share capital		
11,000,000 (March 31, 2023: 11,000,000) equity shares of Rs. 10 each	1,100.00	1,100.00

Equity share capital		
(a) Issued, subscribed and fully paid up capital		
9,981,640 (March 31, 2023: 9,981,640) equity shares of Rs. 10 each, fully paid-up	998.16	998.16
Less: Allotment Money Arrears	2.48	2.48
	<u>995.68</u>	<u>995.68</u>

i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	99,81,640	995.68	99,81,640	995.68
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>99,81,640</u>	<u>995.68</u>	<u>99,81,640</u>	<u>995.68</u>

ii) Terms and rights attached to equity shares

Equity shares issued by the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. 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 shareholders.

iii) Details of shareholders holding more than 5% equity shares in the Company

	March 31, 2024		March 31, 2023	
	Number of shares	% of total shares	Number of shares	% of total shares
Vijaya Diagnostic Centre Limited (Holding Company)	62,02,220	62.14%	62,02,220	62.14%

As per records the Company including registration of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares. Name of the Holding Company changed to Vijaya Diagnostic Centre Limited with effect from March 26, 2021 (formerly known as Vijaya Diagnostic Centre Private Limited).

iv) Shares held by Holding Company

	March 31, 2024	March 31, 2023
Equity Shares:		
Vijaya Diagnostic Centre Limited	62,02,220	62,02,220

vi) Shares held by Promoters at the end of the year

	March 31, 2024			March 31, 2023		
	Number of shares	% holding	% Change During the Year	Number of shares	% holding	% Change During the Year
Equity Shares:						
Vijaya Diagnostic Centre Limited	62,02,220	62.14%	-	62,02,220	62.14%	-
(Holding Company)						

vii) Details of shares issued for consideration other than cash and bonus shares during last five years:

	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Shares issued for consideration other than cash	-	-	-	-	-
Bonus shares	-	-	-	-	-

(b) Other equity

	March 31, 2024	March 31, 2023
General reserve	62.46	62.46
Securities premium	51.55	51.55
Retained earnings	(1,422.16)	(1,623.27)
	<u>(1,308.14)</u>	<u>(1,509.25)</u>



Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**i) General reserve**

	March 31, 2024	March 31, 2023
Balance at the commencement of the year	62.46	62.46
Add: Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>62.46</b>	<b>62.46</b>

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**ii) Securities premium**

	March 31, 2024	March 31, 2023
Balance at the commencement of the year	51.55	51.55
Add: Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>51.55</b>	<b>51.55</b>

Securities premium is used to record the premium on issue of shares. It will be utilised in accordance with the provisions of the "Act".

**iii) Retained earnings**

	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	(1,623.27)	(1,790.56)
Add: Profit for the year	199.89	166.52
Less: Adjustment on consolidation (towards acquisition of Non Controlling Interest in Subsidiary)	-	-
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurement of defined benefit plans, net of tax	1.22	0.77
<b>Balance as at the end of the year</b>	<b>(1,422.16)</b>	<b>(1,623.27)</b>

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders. OCI represents Re-measurement on defined benefit plans: Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified to statement of profit and loss.

<b>Total Other equity (i+ii+iii)</b>	<b>(1,308.15)</b>	<b>(1,509.25)</b>
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Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>10 Financial liabilities</b>		
(a) Borrowings		
Non-Current		
Unsecured loans		
From related parties		
-from Holding Company	500.00	575.00
	<u>500.00</u>	<u>575.00</u>

Note:

i. Terms of Unsecured loans from related parties:

(a) Loan from Holding Company is repayable in 3 years from the date of sanction, and the loan carries an interest rate of 10% per annum.

(b) Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note 23)	3.70	0.58
Total outstanding dues of creditors other than micro enterprises and small enterprises*	233.45	247.92
	<u>237.15</u>	<u>248.50</u>

\* Includes amount payable to related parties (refer note 26)

As on March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
i)MSME	3.52	0.18	-	-	-	3.70
ii)Others	7.67	33.35	0.00	0.81	191.62	233.45
iii)Disputed Dues-MSME	-	-	-	-	-	-
IV)Disputed Dues-Others	-	-	-	-	-	-
Total	11.19	33.53	0.00	0.81	191.62	237.15

As on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
i)MSME	-	0.58	-	-	-	0.58
ii)Others	11.46	32.72	1.57	7.69	194.48	247.92
iii)Disputed Dues-MSME	-	-	-	-	-	-
IV)Disputed Dues-Others	-	-	-	-	-	-
Total	11.46	33.30	1.57	7.69	194.48	248.50



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Notes to Consolidated Financial Statements for the year ended March 31, 2024  
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	As at March 31, 2024	As at March 31, 2023
<b>(c) Other financial liabilities</b>		
<b>Current</b>		
Interest accrued but not due on borrowings	12.67	12.76
Payable to employees	21.59	29.15
	<u>34.26</u>	<u>41.91</u>
<b>11 Other liabilities</b>		
<b>Current</b>		
Statutory liabilities	6.67	6.17
	<u>6.67</u>	<u>6.17</u>
<b>12 Provisions</b>		
<b>Non-current</b>		
Provision for employee benefits:		
- Gratuity (refer note 25)	18.68	23.53
- Compensated absences	3.51	3.78
	<u>22.19</u>	<u>27.32</u>
Provision for employee benefits:		
- Gratuity (refer note 25)	9.21	17.12
- Compensated absences	3.95	7.23
Others:		
- Decommissioning liability	35.18	35.18
	<u>48.34</u>	<u>59.53</u>
<b>Note:</b>		
<b>i. Movement in provision for others:</b>		
	<b>Decommissioning liability</b>	
Carrying amount as at April 01, 2022	31.04	
Add: Provision created during the year	4.14	
Less: Provision reversed during the year	-	
Balance as at March 31, 2023	<u>35.18</u>	
Carrying amount as at April 01, 2023	35.18	
Add: Provision created during the year	-	
Less: Provision reversed during the year	-	
Balance as at March 31, 2024	<u>35.18</u>	



Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>13 Revenue from operations</b>		
Sale of services	1,012.80	995.58
Other operating revenue		
Franchise Management Fee	3.72	3.72
	<u>1,016.52</u>	<u>999.30</u>
<b>14 Other income</b>		
Interest income on bank deposits and others	3.49	3.14
Other non operating income	16.33	19.37
	<u>19.82</u>	<u>22.51</u>
<b>15 Cost of materials consumed</b>		
Inventory of materials as at the beginning of the year	12.22	17.68
Add: Purchases during the year	101.65	123.99
Less: Inventories of materials as at the end of the year	(13.58)	(12.22)
	<u>100.29</u>	<u>129.45</u>
<b>16 Employee benefits expense</b>		
Salaries, wages and bonus	169.45	175.87
Contribution to provident and other funds [refer note 25]	13.16	13.67
Gratuity [refer note 25]	5.48	5.02
Compensated absences	(0.43)	1.25
Staff welfare expenses	2.75	2.28
	<u>190.40</u>	<u>198.09</u>
<b>17 Finance costs</b>		
Interest on bank over draft measured at amortised cost	-	6.80
Interest on borrowings from Holding Company measured at amortised cost	57.40	52.09
Interest expense on decommissioning liability	-	1.04
	<u>57.40</u>	<u>59.93</u>
<b>18 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	10.84	32.34
Amortisation of intangible assets	1.89	0.25
	<u>12.73</u>	<u>32.58</u>
<b>19 Other expenses</b>		
Power and fuel	37.19	34.23
Rent (refer note (ii) below)	49.97	44.77
Repairs and maintenance		
- Buildings	-	-
- Plant and equipment	72.93	67.93
- Others	5.44	1.25
House keeping expenses	10.31	7.32
Insurance	1.35	1.24
Rates and taxes	8.76	9.43
Advertisement, publicity and marketing	7.31	6.56
Travelling and conveyance	11.91	13.25
Legal and professional fees	145.04	141.19
Payment to auditors [refer note (i) below]	4.82	5.43
Postage and communication	10.98	11.29
Printing and stationery	0.00	0.04
Provision for doubtful receivables	18.00	0.01
Advance/Deposit written off	-	13.38
Bank charges	4.78	4.72
Miscellaneous expenses	8.95	9.68
	<u>397.76</u>	<u>371.73</u>



Medinova Diagnostic Services Limited  
Notes to Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Notes:</b>		
<b>i. Payment to auditors (inclusive of taxes)</b>		
As auditors		
- Statutory Audit Fee (including limited reviews)	3.87	3.77
- Tax Audit Fee	0.95	1.66
	<u>4.82</u>	<u>5.43</u>
ii. Rent includes expense on low value lease of Rs. 3.36 (FY 2022-23, Rs. 1.21) and on short term lease of Rs. 46.61 (FY 2022-23 Rs.42.27)		
<b>20 Income-tax expense</b>		
<b>(a) Amount recognised in statement of profit and loss</b>		
Current tax	20.39	18.27
Earlier year's tax	0.01	2.01
Deferred tax attributable to temporary differences	7.60	3.21
<b>Tax expense</b>	<u><b>28.00</b></u>	<u><b>23.49</b></u>
<b>(b) Amount recognised in other comprehensive income</b>		
Deferred tax related to items recognised in OCI		
Deferred tax expense/(income) on remeasurements of defined benefit obligations	0.41	0.26
<b>Income-tax expense/(income) recognised in OCI</b>	<u><b>0.41</b></u>	<u><b>0.26</b></u>
<b>(c) Reconciliation of tax expenses and the amounting profit multiplied by tax rate</b>		
Profit before tax	227.89	190.01
Enacted tax rate in India for holding company	25.17%	25.17%
Enacted tax rate in India for subsidiary	31.20%	31.20%
<b>Tax expense at enacted rates</b>	<u><b>64.97</b></u>	<u><b>54.04</b></u>
<b>Tax effect of:</b>		
Disallowances for tax purpose	16.63	13.85
Allowances for tax purpose	(15.83)	(13.72)
Set off against carry forward losses	(37.77)	(32.70)
Tax pertaining to earlier years	0.01	2.01
<b>Income-tax recognised in the statement of profit and loss</b>	<u><b>28.00</b></u>	<u><b>23.49</b></u>
<b>(d) The following table provides the details of income tax assets and income tax liabilities:</b>		
	As at March 31, 2024	As at March 31, 2023
Income-tax assets, (net)	11.89	13.17
Current tax liabilities, (net)	0.81	(3.03)
	<u><b>12.70</b></u>	<u><b>10.15</b></u>
	As at March 31, 2024	As at March 31, 2023
Net income-tax assets at the beginning of the year	10.15	10.15
Less: Current income tax expense	(20.39)	(18.27)
Less: Tax pertaining to earlier years	(0.01)	(2.01)
Add: Tax paid / (refund received) during the year	22.96	20.28
<b>Net income tax assets as at the end of the year</b>	<u><b>12.70</b></u>	<u><b>10.15</b></u>





**Medinova Diagnostic Services Limited**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**21 Contingent liabilities and commitments (to the extent not provided for)**  
**Contingent liabilities**

Claims against the Company not acknowledged as debts

As at March 31, 2024	As at March 31, 2023
Nil	Nil

**Capital and other commitments**

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)  
 Other commitments

As at March 31, 2024	As at March 31, 2023
Nil	Nil
Nil	Nil

**22 Earnings per share**

**Earnings for the year**

Net profit for the year (A)

For the year ended March 31, 2024	For the year ended March 31, 2023
--------------------------------------	--------------------------------------

199.89 166.52

**Shares**

Weighted average number of equity shares for Basic EPS (B)

99,81,640 99,81,640

Weighted average number of equity shares for Diluted EPS (C)

99,81,640 99,81,640

(a) Basic earnings per share of face value of Rs. 10 each (A/B)

2.00 1.67

(b) Diluted earnings per share of face value of Rs. 10 each (A/C)

2.00 1.67

**23 Dues to micro and small enterprises**

Details of dues to micro enterprises and small enterprises as defined under the MSMED Act, 2006

Particulars	March 31, 2024	March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal	3.70	0.58
- Interest	-	-
(b) the amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

**Note:** The list of undertakings covered under MSMED Act was determined by the Group on the basis of information available with the Group and has been relied upon by the auditors.

**24 Segment reporting**

**A. Basis for segmentation**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments results are reviewed regularly by the Group's Chairman and MD to make decisions about resources to be allocated to the segments and assess their performance.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators at operational unit level and since there is single operating segment, no segment disclosures of the Group is presented. The Group's operations fall within a single business segment "Diagnostic services".

**B. Geographical information**

The Group operates within India and therefore there is no assets or liabilities outside India.

**C. Major customers**

Revenue from any single customer of the Group's operating segment does not exceed 10% of the total revenue reported and hence the Management believes that there are no major customers to be disclosed.



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## Medinova Diagnostic Services Limited

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 25 Employee benefit plans

The Company has following post employment benefit plans:

## (a) Defined contribution plans

Contributions were made to provident fund (at the rate of 12% of basic salary) and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation. The expense recognised during the year in the consolidated statement of profit and loss towards defined contribution plan is Rs. 13.16 lakhs (March 31, 2023: Rs. 13.67 lakhs).

## (b) Defined benefit plan

The Company provides for Gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for Gratuity. The amount of Gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months, restricted to a sum of Rs. 20.00 lakhs. The gratuity plan is a unfunded plan.

## i. Reconciliation of the net defined benefit (asset)/ liability

The amounts recognised in the balance sheet and the movements in the defined benefit obligation and fair value of plan assets over the year are as follows:

The amounts recognised in the balance sheet and the movements in the defined benefit obligation as per the valuation report as at March 31, 2024 are produced in the tables below

## (a) Changes in the present value of obligation

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Present value of obligation as at the beginning	40.65	39.25
Current service cost	2.50	2.62
Interest expense or cost	2.97	2.39
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	0.14	(1.56)
- experience variance (i.e. Actual experience vs assumptions)	(1.77)	0.52
Benefits paid	(16.62)	(2.58)
Present value of obligation as at end	27.88	40.65

## (b) Bifurcation of Present Value of obligation at the end of the year

Particulars	As at	
	March 31, 2024	March 31, 2023
Current liability (Short-term)	9.21	17.12
Non-current liability (Long-term)	18.68	23.53
Present value of obligation	27.88	40.65

## (c) Expenses Recognised in the Statement of profit and loss

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Current service cost	2.50	2.62
Net interest cost / (income) on the net defined benefit liability / (asset)	2.97	2.39
Expenses recognised in the Statement of profit and loss	5.48	5.02



## Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 25 Employee benefit plans (continued)

## (b) Defined benefit plan (continued)

## (d) Other Comprehensive Income

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Actuarial (gains) / losses		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.14)	1.56
- experience variance (i.e. Actual experience vs assumptions)	1.77	(0.52)
Components of defined benefit costs recognised in other comprehensive income	1.63	1.03

## ii. Actuarial assumptions

Principal actuarial assumptions for defined benefit obligation are as follows:

	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.30%
Salary escalation rate	6.00%	6.00%
Attrition rate	15.00%	15.00%

**Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**Salary escalation rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

**Attrition rate:** Represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

## iii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

	Increase in assumption by 1%		Decrease in assumption by 1%	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate	-3.2%	-2.5%	3.4%	2.7%
Salary escalation rate	3.4%	2.7%	-3.3%	-2.6%
Attrition rate	-0.6%	-0.2%	0.1%	-0.3%

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

## iv. Maturity profile of the defined benefit liability

The weighted average duration of the defined benefit obligation is 3 years (March 31, 2023 - 2026 years). The expected maturity analysis of defined benefit obligation on an undiscounted basis is as follows:

	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
March 31, 2024	9.21	19.16	4.38	3.68
March 31, 2023	17.12	23.00	7.35	3.47



SERVICE

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Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**26 Related party disclosures****(a) Details of related parties****Description of relationship**

Holding Company

**Name of the related parties**

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

Key Management Personnel (KMP)

Dr. Sura Surendranath Reddy, Chairman

Sunil Chandra Kondapally, Managing Director

Madhava Reddy Beeravelli Chief Financial Officer (Upto December 21, 2023)

Nikhil Rajmal Jain, Chief Financial Officer (w.e.f. January 31, 2024)

Hansraj Singh Rajput, Company Secretary (w.e.f. February 1st, 2023)

Vishnu Priya Reddy Birudavolu (w.e.f. August 14th 2019)

Close member of KMP

S.Geetha Reddy (Wife of Dr. Sura Surendranath Reddy, Chairman)

Independent Directors

Kamalaka Rao Ponnappalli (w.e.f. November 10th 2014)

Ravindra Reddy Venga Reddy Kutagulla (Up to March 31st 2024)

**(b) Details of transactions during the year**

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Vijaya Diagnostic Centre Limited</b>		
Diagnostic Services-Expense	44.16	34.56
Interest on Loan	57.40	57.50
Loan Repaid	75.00	-
Sale of consumables	-	0.07
Purchase of consumables	-	5.24
Rent Paid	43.54	42.48
Reimbursement of expenses	-	0.13
<b>S.Geetha Reddy</b>		
Rental Deposit	-	1.85
Rent Paid	4.36	1.09
<b>Kamalaka Rao Ponnappalli</b>		
Independent directors sitting fee/commission	0.11	0.11
<b>Ravindra Reddy Venga Reddy Kutagulla</b>		
Independent directors sitting fee/commission	0.11	0.14

**(c) Amounts due (to)/ from related parties**

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured Loan</b>		
Vijaya Diagnostic Centre Limited	500.00	575.00
<b>Interest payable</b>		
Vijaya Diagnostic Centre Limited	12.67	12.76
<b>Rent Payable</b>		
S.Geetha Reddy	0.33	0.33
<b>Creditors for services</b>		
Vijaya Diagnostic Centre Limited	195.97	195.41

**Note:**

All transactions with these related parties are at arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash. None of the balances are secured. (All the amounts of transactions and balances disclosed in this note are gross and undiscounted.)



## Medinova Diagnostic Services Limited

## Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**27 Capital management**

The Group's policy is to maintain a stable and strong capital structure with a focus on equity so as to provide returns to shareholders, benefits to other stakeholders, creditors and to sustain future development and growth of the business. In order to maintain the capital structure, the Group monitors the return on capital as well as debt to total equity ratio. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of debt to total equity, debt includes its long-term and short-term borrowings. Total equity comprises of issued share capital and all other equity reserves. Since the total equity is negative, Gearing ratio is not given.

**28 Financial instruments****A. Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Note	March 31, 2024		March 31, 2023		Fair value level
		Amortised Cost	Fair value	Amortised Cost	Fair value	
Financial assets						
Trade receivables	5 (a)	42.58	-	70.28	-	Level 3
Security deposits	5 (b)	15.92	-	16.17	-	Level 3
Bank deposits	5 (b)	39.35	-	39.27	-	Level 3
Cash and cash equivalents	5 (c)	191.49	-	77.96	-	Level 3
Other bank balances	5 (d)	-	-	-	-	Level 3
Other financial assets	5 (d)	3.25	-	0.32	-	Level 3
Total financial assets		292.59	-	204.00	-	
Financial liabilities						
Borrowings	10 (a)	500.00	-	575.00	-	Level 3
Trade payables	10 (b)	237.15	-	248.50	-	Level 3
Other financial liabilities	10(c)	34.26	-	41.91	-	Level 3
Total financial liabilities		771.41	-	865.41	-	

Note: The Group has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.





**Medinova Diagnostic Services Limited**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**28 Financial Instruments - fair valuation and risk management (continued)**

**B. Financial Risk Management**

The Group actively manages and exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade receivables, security deposits, bank deposits and loans.	Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits.
Liquidity Risk	Borrowings	Cash flow forecasts managed by the finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits and investment in mutual funds.

The Group's risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

**i. Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans.

The Group has no significant concentration of credit risk with any counterparty.

**Trade receivables and loans**

Customer credit risk is managed by the respective department subject to Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Group. Outstanding customer receivables are regularly monitored.

**Expected credit loss (ECL) assessment for individual customers:**

As per simplified approach, the Group makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date.

The ageing analysis of the receivables has been considered from the date the invoice falls due.

	< 365 days	> 365 days	Provision	Total
March 31, 2024	41.90	19.96	(19.28)	42.58
March 31, 2023	49.75	21.82	(1.28)	70.28

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

**The movement in the allowance for impairment in respect of trade receivables is as follows:**

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	1.28	1.27
Add: Allowance measured at lifetime expected credit loss	18.00	0.01
Balance at the end of the year	19.28	1.28

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by credit rating agencies.



**Medinova Diagnostic Services Limited**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**28 Financial instruments - fair valuation and risk management (continued)**

**B. Financial risk management (continued)**

**ii. Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The finance team monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash outflows on trade payables and other financial liabilities and any excess/short liquidity is managed in the form of current borrowings and bank deposits as per the approved frame work.

**Exposure to liability risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

**March 31, 2024**

**Borrowings (including current maturities of long-term borrowings)**

Trade payables  
 Other financial liabilities

Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
500.00	500.00	500.00	-	-	-
237.15	237.15	237.15	0.00	-	-
34.26	34.26	34.26	-	-	-
771.41	771.41	771.41	0.00	-	-

Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
575.00	575.00	-	575.00	-	-
248.50	248.50	248.50	-	-	-
41.91	41.91	41.91	-	-	-
865.41	865.41	290.41	575.00	-	-

**March 31, 2023**

**Borrowings (including current maturities of long-term borrowings)**

Trade payables  
 Other financial liabilities

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

**iii. Market risk**

Market risk is the risk that results from changes in market prices - such as foreign exchange rates, interest rates and others which will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.





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**Medinova Diagnostic Services Limited**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**29 Disclosure as per Ind AS 115 - Revenue from contracts with customers**

	As at	
	March 31, 2024	March 31, 2023
<b>Contract assets</b>		
- Unbilled revenue	-	-
- Trade receivables	42.58	70.28
<b>Contract liabilities</b>		
- Advances from customers	-	-
- Contract liability - deferred revenue	-	-

**Reconciliation of revenue from contract with customers**

Particulars	As at	
	March 31, 2023	March 31, 2022
Revenue from contract with customer as per the contract	981.50	969.23
Adjustments made in contract price on account of :-		
Discount / Rebates	31.30	26.35
Revenue from contract with customer	1,012.80	995.58
Other operating revenue	3.72	3.72
Revenue from operations	1,016.52	999.30

**30 Code on Social Security, 2020:**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



Medinova Diagnostic Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 32 Ratios as per the Schedule III requirements

## a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	March 31, 2024	March 31, 2023
Current Assets	259.97	169.05
Current Liabilities	328.32	359.14
Ratio	0.79	0.47
% Change from previous year	68%	

This ratio has increased from 0.47 in March 2023 to 0.79 in March 2024 mainly due to increase in cash and cash equivalents.

## b) Debt Equity ratio = Total debt divided by Total equity

Since the total equity is negative, ratio is not given

## c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	March 31, 2024	March 31, 2023
Profit after tax	199.89	166.52
Add: Non cash operating expenses and finance cost	70.13	92.51
-Depreciation and amortizations	12.73	32.58
-Finance cost	57.40	59.93
Earnings available for debt services	270.02	259.03
Interest cost on borrowings	57.40	59.93
Installments	75.00	-
Total Interest and installments	132.40	59.93
Ratio	2.04	4.32
% Change from previous year	-53%	

## Reasons for change more than 25%:

This ratio has increased from 4.32 in March 2023 to 2.04 in March 2024 mainly due to increase in profit after tax and Part repayment of loan

## d) Return on Equity Ratio = Net profit after tax divided by Equity

Since the total equity is negative, this ratio is not given

## e) Inventory Turnover Ratio = Cost of goods sold divided by closing inventory

Particulars	March 31, 2024	March 31, 2023
Cost of Goods sold	100.29	129.45
Closing Inventory	13.58	12.22
Inventory Turnover Ratio	7.39	10.59
% Change from previous year	-30%	

## Reason for change more than 25%:

This ratio has decreased from 10.59 in March 2023 to 7.39 in March 2024 mainly due to decrease in Cost of goods sold and increase in closing inventory



f) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	March 31, 2024	March 31, 2023
Credit Sales	173.27	158.71
Closing Trade Receivables	42.58	70.28
Ratio	4.07	2.26
% Change from previous year	80%	

Reason for change more than 25%:

This ratio has increased from 2.26 in March 2023 to 4.07 in March 2024 mainly due to increase in Credit Sales and decrease in trade receivables.

g) Trade payables turnover ratio = Credit purchases divided by closing trade payables

Particulars	March 31, 2024	March 31, 2023
Credit Purchases	499.41	495.72
Closing Trade Payables	237.15	248.50
Ratio	2.11	1.99
% Change from previous year	6%	

h) Net capital Turnover Ratio = Sales divided by Working capital whereas working capital = current assets - current liabilities

As the working capital is negative, this ratio is not given

i) Net profit ratio = Net profit after tax divided by Sales

Particulars	March 31, 2024	March 31, 2023
Net profit after tax	199.89	166.52
Sales	1,016.52	999.30
Ratio	19.66%	16.66%
% Change from previous year	18%	

j) Return on Capital employed

Since the capital employed is negative, this ratio is not given

Note: Return on investment ratio is not applicable for the group.





**M.ANANDAM & CO.,**  
CHARTERED ACCOUNTANTS

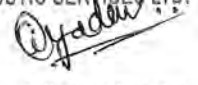
**Independent Auditor's Review Report on the Quarterly Consolidated Unaudited Financial Results of  
the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015**

**Review Report to the Board of Directors  
Medinova Diagnostic Services Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Medinova Diagnostic Services Limited ("the Holding Company") and its wholly owned subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended 30<sup>th</sup> September, 2024 and year to date results for the period 1<sup>st</sup> April, 2024 to 30<sup>th</sup> September, 2024 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

7 'A', SURYA TOWERS, SARDAR PATEL ROAD, SECUNDERABAD – 500003.  
PHONE: 2781 2377, 2781 2034, FAX:2781 2091

For VIJAYA DIAGNOSTIC CENTRE LIMITED  
  
Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.  
  
Authorised Signatory

M. Anandam & Co.,  
Chartered Accountants

4. The Statement includes the results of the wholly owned subsidiary, Medinova Millenium MRI Services LLP.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm Regn.No.000125S)

**Madhuri** Digitally signed by  
**Chimalgi** Madhuri Chimalgi  
Date: 2024.10.29  
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Madhuri Chimalgi  
Partner  
Membership Number: 235955

UDIN: 24235955BKCJZP2553

Place: Secunderabad  
Date: 29-10-2024



## MEDINOVA DIAGNOSTIC SERVICES LIMITED

CIN: L85110TG1993PLC015481

Regd. Office: H No. 7-1-58, Unit No. 1 Flat No. 301, 3rd Floor, Anarolla Business Complex, Ameerpet, Hyderabad - 500 016.

## STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2024

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1	<b>Income:</b>						
	(a) Revenue from Operations	256.08	249.05	286.80	505.13	528.50	1,016.52
	(b) Other Income	2.55	1.67	1.67	4.22	3.39	19.82
	<b>Total Income</b>	<b>258.63</b>	<b>250.72</b>	<b>288.47</b>	<b>509.35</b>	<b>532.09</b>	<b>1,036.34</b>
2	<b>Expenses</b>						
	(a) Cost of Materials Consumed	17.66	20.54	28.64	38.20	54.09	100.29
	(b) Employee Benefits Expense	45.94	47.15	47.24	93.09	99.82	190.40
	(c) Testing Fees	19.84	15.02	15.73	34.86	26.04	49.86
	(d) Finance Costs	12.60	12.47	14.49	25.07	28.83	57.40
	(e) Depreciation	3.61	3.26	3.27	6.87	6.21	12.73
	(f) Other Expenses	92.60	96.83	104.28	189.43	204.58	397.77
	<b>Total Expenses</b>	<b>192.25</b>	<b>195.27</b>	<b>213.65</b>	<b>387.52</b>	<b>419.57</b>	<b>808.45</b>
3	<b>Profit before Tax</b>	<b>66.38</b>	<b>55.45</b>	<b>74.82</b>	<b>121.83</b>	<b>112.52</b>	<b>227.89</b>
4	<b>Tax Expense</b>						
	(a) Current Tax	15.67	9.45	7.00	25.12	7.50	20.39
	(b) Earlier Year's Tax	-	-	0.01	-	0.01	0.01
	(c) Deferred Tax	0.95	3.76	1.40	4.71	5.30	7.60
	<b>Total tax expense</b>	<b>16.62</b>	<b>13.21</b>	<b>8.41</b>	<b>29.83</b>	<b>12.81</b>	<b>28.00</b>
5	<b>Profit/Loss for the period (3-4)</b>	<b>49.76</b>	<b>42.24</b>	<b>66.41</b>	<b>92.00</b>	<b>99.71</b>	<b>199.89</b>
6	<b>Other Comprehensive Income</b>						
	Items that will not be reclassified to Profit or Loss:						
	i) Remeasurement of defined benefit plans	-	-	-	-	-	1.63
	ii) Income tax relating to above	-	-	-	-	-	(0.41)
7	<b>Total Comprehensive Income for the period (5+6)</b>	<b>49.76</b>	<b>42.24</b>	<b>66.41</b>	<b>92.00</b>	<b>99.71</b>	<b>201.11</b>
	<b>Net Profit attributable to:</b>						
	(a) Owners of the Company	49.76	42.24	66.41	92.00	99.71	199.89
	(b) Non Controlling Interest	-	-	-	-	-	-
	<b>Other Comprehensive Income attributable to:</b>						
	(a) Owners of the Company	-	-	-	-	-	1.22
	(b) Non Controlling Interest	-	-	-	-	-	-
	<b>Total Comprehensive Income attributable to:</b>						
	(a) Owners of the Company	49.76	42.24	66.41	92.00	99.71	201.11
	(b) Non Controlling Interest	-	-	-	-	-	-
8	<b>Paid-up Equity Share capital (Face Value Rs 10/- per share)</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>
9	<b>Earnings per Equity Share (not annualised)</b>						
	a) Basic (Rs.)	0.50	0.42	0.67	0.92	1.00	2.00
	b) Diluted (Rs.)	0.50	0.42	0.67	0.92	1.00	2.00

**Notes**

1. The above Consolidated financial results of Medinova Diagnostic Services Limited ("the Company") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the relevant rules thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.





2. The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 29th October, 2024. The statutory auditors have carried out limited review of the above results for the quarter and half year ended 30 September 2024. An unmodified report has been issued by them thereon.

3. The above results include the results of the wholly owned subsidiary, Medinova Millennium MRI Services LLP.

4. The Group has one reportable segment (viz. Diagnostic Services) as per the requirements of Ind AS 108 "Operating Segments".

5. The Group has prepared consolidated financial results based on Ind AS 110 "Consolidated Financial Statements".

6. The Board of Directors of the Company in their meeting held on June 26th 2024, have considered and approved the proposed Scheme of Amalgamation of the Company ("Transferor Company") into and with the Parent Company, "Vijaya Diagnostic Centre Limited" (Transferee Company) with effect from April 01st, 2024 ("the Appointed Date") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and other rules and regulations framed thereunder ("Scheme").

The aforesaid Scheme is subject to the approval of Stock Exchanges, SEBI, Shareholders and Creditors of the respective companies and National Company Law Tribunal, and such other approvals, permissions, and sanctions of regulatory and other authorities as may be necessary.

For MEDINOVA DIAGNOSTIC SERVICES LIMITED

SURA SURENDRANATH REDDY  
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DN: cn=SURA SURENDRANATH REDDY, o=Vijaya Diagnostic Centre Limited, c=IN

DR. S. SURENDRANATH REDDY  
CHAIRMAN  
DIN 00108599

Place: Hyderabad  
Date : 29-10-2024



## MEDINOVA DIAGNOSTIC SERVICES LIMITED

CIN: L85110TG1993PLC015481

Regd. Office : H No. 7-1-58, Unit No. 1/Flat No.301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad - 500 016

## Consolidated Balance Sheet as at September 30, 2024

		(Rs. in Lakhs)	
Sl No.	Particulars	As at 30.09.2024 (UnAudited)	As at 31.03.2024 (Audited)
	<b>ASSETS</b>		
I	<b>Non-current assets</b>		
	(a) Property, plant and equipment	186.84	159.92
	(b) Intangible assets	3.73	3.64
	(c) Financial assets		
	(i) Other financial assets	60.00	55.27
	(d) Deferred tax assets, (net)	42.65	47.36
	(e) Non-current tax assets, (net)	11.89	11.89
	<b>Total non-current assets</b>	<b>305.11</b>	<b>278.08</b>
II	<b>Current assets</b>		
	(a) Inventories	14.88	13.58
	(b) Financial assets		
	(i) Trade receivables	57.15	42.58
	(ii) Cash and cash equivalents	248.74	191.49
	(iii) Other financial assets	2.22	3.25
	(c) Current tax assets (net)	3.50	2.71
	(d) Other current assets	6.65	6.36
	<b>Total current assets</b>	<b>333.14</b>	<b>259.97</b>
	<b>TOTAL ASSETS (I + II)</b>	<b>638.25</b>	<b>538.05</b>
	<b>EQUITY AND LIABILITIES</b>		
I	<b>Equity</b>		
	(a) Equity share capital	995.68	995.68
	(b) Other equity	(1,216.15)	(1,308.14)
	<b>Total equity</b>	<b>(220.47)</b>	<b>(312.46)</b>
II	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	500.00	500.00
	(b) Provisions	16.84	22.19
	<b>Total non-current liabilities</b>	<b>516.84</b>	<b>522.19</b>
	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Trade payables		
	(a) Total outstanding dues of micro and small enterprises	0.80	3.70
	(b) Total outstanding dues of creditors other than micro and small enterprises	245.53	233.45
	(ii) Other financial liabilities	31.64	34.26
	(b) Other current liabilities	12.47	6.67
	(c) Provisions	48.35	48.34
	(d) Current Tax liabilities	3.09	1.90
	<b>Total current liabilities</b>	<b>341.88</b>	<b>328.32</b>
	<b>Total liabilities (II + III)</b>	<b>858.72</b>	<b>850.51</b>
	<b>TOTAL EQUITY AND LIABILITIES (I + II + III)</b>	<b>638.25</b>	<b>538.05</b>

For MEDINOVA DIAGNOSTIC SERVICES LIMITED

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REDDY

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DR. S. SURENDRANATH REDDY  
CHAIRMAN  
DIN 00108599

Place: Hyderabad  
Date : 29-10-2024



## MEDINOVA DIAGNOSTIC SERVICES LIMITED

CIN: L851101G1993PLC015481

Regd. Office H No. 7-1-58, Unit No. 1/Flat No.301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad - 500 016.

## Consolidated Statement of Cash Flows

	(Rs. in Lakhs)	
	Half Year ended September 30, 2024 (Unaudited)	Half Year ended September 30, 2023 (Unaudited)
<b>A. Cash flow from operating activities</b>		
Profit before tax	121.83	112.52
Adjustments for:		
Depreciation expense	6.87	6.21
Net (gain)/Loss on sale of property, plant and equipment	3.20	-
Interest income	(3.93)	(2.08)
Provision for credit impaired receivables	-	6.00
Liabilities no longer required written back	-	0.19
Finance costs	25.07	28.83
<b>Operating profit before changes in assets and liabilities</b>	<b>153.04</b>	<b>151.67</b>
Changes in working capital:		
(Increase)/ decrease in trade receivables	(14.55)	8.46
(Increase)/ decrease in inventories	(1.30)	(1.18)
(Increase)/ decrease in other financial assets	(4.73)	(0.21)
Decrease/(Increase) in other tax assets	(3.90)	(6.24)
Decrease/(Increase) in other current assets	(0.29)	(1.91)
Increase/(decrease) in trade payables	9.18	6.71
Increase/(decrease) in provisions and other liabilities	(4.14)	(13.36)
Increase/(decrease) in other financial liabilities	4.63	(2.53)
<b>Cash generated from operations</b>	<b>137.94</b>	<b>141.41</b>
Income tax paid	(22.00)	(4.50)
<b>Net cash generated from operating activities (A)</b>	<b>115.94</b>	<b>136.91</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(39.88)	(17.78)
Proceeds from sale of property, plant and equipment	2.75	-
Interest received	4.96	0.88
<b>Net cash used in investing activities (B)</b>	<b>(32.17)</b>	<b>(16.91)</b>
<b>C. Cash flows from financing activities</b>		
Interest paid	(26.52)	(28.55)
<b>Net cash used in financing activities</b>	<b>(26.52)</b>	<b>(28.55)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>57.25</b>	<b>91.45</b>
Cash and cash equivalents at the beginning of the year	191.49	77.96
<b>Cash and cash equivalents at end of the year</b>	<b>248.74</b>	<b>169.42</b>
<b>Note:</b>		
(a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.		
(b) Cash and cash equivalents mentioned above comprise the following:		
	As at September 30, 2024	As at September 30, 2023
Cash on hand	1.31	1.27
Balances with banks		
- in current accounts	80.92	168.15
- in deposit accounts	166.51	-
<b>Total cash and cash equivalents</b>	<b>248.74</b>	<b>169.42</b>
(c) <b>Net Debt Reconciliation</b>		
	As at September 30, 2024	As at September 30, 2023
<b>Particulars</b>		
Opening balance of borrowings	500.00	575.00
Add:- Proceeds from borrowings during the year	-	-
Less:- Repayment of borrowings during the year	-	-
<b>Closing balance of borrowings</b>	<b>500.00</b>	<b>575.00</b>
For MEDINOVA DIAGNOSTIC SERVICES LIMITED		
SURA SURENDRANATH REDDY Digitally signed by SURA SURENDRANATH REDDY Date: 2024.10.29 11:05:41 +05'30'		
Place: Hyderabad	DR. S. SURENDRANATH REDDY	
Date : 29-10-2024	CHAIRMAN	
	DIN 00108599	



**M.ANANDAM & CO.,**  
CHARTERED ACCOUNTANTS

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results  
of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015**

**Review Report to the Board of Directors  
Medinova Diagnostic Services Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Medinova Diagnostic Services Limited (the "Company") for the quarter ended 30<sup>th</sup> September, 2024 and year to date results for the period 1<sup>st</sup> April, 2024 to 30<sup>th</sup> September, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

7 'A', SURYA TOWERS, SARDAR PATEL ROAD, SECUNDERABAD – 500003.  
PHONE: 2781 2377, 2781 2034, FAX:2781 2091



M.Anandam & Co.,  
Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm Regn.No.000125S)

**Madhuri** Digitally signed by  
**Chimalgi** Madhuri Chimalgi  
Date: 2024.10.29  
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Madhuri Chimalgi  
Partner  
Membership Number: 235955  
UDIN: 24235955BKCJZO4207

Place: Secunderabad  
Date: 29-10-2024



**MEDINOVA DIAGNOSTIC SERVICES LIMITED**  
CIN: L85110TG1993PLC015481

Regd. Office : H.No. 7-1-58, Unit No. I/Flat No.301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad - 500 016.

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th September, 2024**

(Rs. in Lakhs)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	
<b>1</b>	<b>Income:</b>						
	(a) Revenue from Operations	197.70	185.51	221.81	383.21	404.20	778.12
	(b) Other Income	2.16	1.99	2.82	4.15	5.92	25.78
	<b>Total Income</b>	<b>199.86</b>	<b>187.50</b>	<b>224.63</b>	<b>387.36</b>	<b>410.12</b>	<b>803.90</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of Materials Consumed	13.74	16.54	24.53	30.28	46.26	85.51
	(b) Employee Benefits Expense	41.96	41.66	42.85	83.62	91.18	173.34
	(c) Testing Fees	19.84	15.02	19.17	34.86	31.02	60.06
	(d) Finance Costs	12.60	12.47	14.49	25.07	28.83	57.40
	(e) Depreciation and amortisation expenses	3.59	3.15	3.16	6.74	6.00	12.30
	(f) Other Expenses	73.79	76.81	82.66	150.60	160.65	313.62
	<b>Total Expenses</b>	<b>165.52</b>	<b>165.65</b>	<b>186.86</b>	<b>331.17</b>	<b>363.94</b>	<b>702.23</b>
<b>3</b>	<b>Profit before Tax [1-2]</b>	<b>34.34</b>	<b>21.85</b>	<b>37.77</b>	<b>56.19</b>	<b>46.18</b>	<b>101.67</b>
<b>4</b>	<b>Tax Expense</b>						
	(a) Current Tax	8.91	2.10	7.00	11.01	7.50	20.39
	(b) Earlier Year's Tax	-	-	0.01	-	0.01	0.01
	(c) Deferred Tax	0.66	3.12	1.00	3.78	4.52	6.00
	<b>Total tax expense</b>	<b>9.57</b>	<b>5.22</b>	<b>8.01</b>	<b>14.79</b>	<b>12.04</b>	<b>26.40</b>
<b>5</b>	<b>Profit/Loss for the period (3-4)</b>	<b>24.77</b>	<b>16.63</b>	<b>29.76</b>	<b>41.40</b>	<b>34.14</b>	<b>75.27</b>
<b>6</b>	<b>Other Comprehensive Income</b>						
	Items that will not be reclassified to Profit or Loss :						
	i) Remeasurement of defined benefit plans	-	-	-	-	-	1.63
	ii) Income tax relating to above	-	-	-	-	0.00	(0.41)
<b>7</b>	<b>Total Comprehensive Income for the period (5+6)</b>	<b>24.77</b>	<b>16.63</b>	<b>29.76</b>	<b>41.40</b>	<b>34.14</b>	<b>76.49</b>
<b>8</b>	<b>Paid-up Equity Share capital (Face Value Rs 10/- per share)</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>	<b>995.68</b>
<b>9</b>	<b>Earnings per Equity Share (not annualised)</b>						
	a) Basic (Rs.)	0.25	0.17	0.30	0.41	0.34	0.75
	b) Diluted (Rs.)	0.25	0.17	0.30	0.41	0.34	0.75

**Notes**

- The above Standalone financial results of Medinova Diagnostic Services Limited ("the Company") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the relevant rules thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above standalone financial results were reviewed by the audit committee and approved by the Board of Directors in their respective meetings held on 29th October 2024. The statutory auditors have carried out limited review of the above results for the quarter and half year ended 30th September 2024. An unmodified report has been issued by them thereon.
- The Company has one reportable segment (viz. Diagnostic Services) as per the requirements of Ind AS 108 "Operating Segments".
- The Board of Directors of the Company in their meeting held on June 26th 2024 have considered and approved the proposed Scheme of Amalgamation of the Company ("Transferor Company") into and with the Parent Company, "Vijaya Diagnostic Centre Limited" (Transferee Company) with effect from April 01st 2024 ('the Appointed Date') under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and other rules and regulations framed thereunder ("Scheme").

The aforesaid Scheme is subject to the approval of Stock Exchanges, SEBI, Shareholders and Creditors of the respective companies and National Company Law Tribunal, and such other approvals, permissions, and sanctions of regulatory and other authorities as may be necessary.

**For MEDINOVA DIAGNOSTIC SERVICES LIMITED**

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REDDY

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Date: 2024.10.29 12:59:37  
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**Dr. S. SURENDRANATH REDDY**  
**CHAIRMAN**  
DIN: 00108599

Place: Hyderabad  
Date: 29-10-2024



## MEDINOVA DIAGNOSTIC SERVICES LIMITED

CIN: L85110TG1993PLC015481

Regd. Office : H.No. 7-1-58, Unit No. 1/Flat No.301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad - 500 016.

## Standalone Balance Sheet as at September 30, 2024

(Rs. in Lakhs)

Sl No.	Particulars	As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)
	<b>ASSETS</b>		
<b>I</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	125.04	97.97
	(b) Intangible assets	3.73	3.64
	(c) Financial assets		
	(i) Investments	296.82	296.82
	(ii) Other financial assets	27.27	25.27
	(d) Deferred tax assets (net)	46.35	50.13
	(e) Non-current tax assets (net)	11.89	11.89
	<b>Total non-current assets</b>	<b>511.10</b>	<b>485.72</b>
<b>II</b>	<b>Current assets</b>		
	(a) Inventories	10.50	10.22
	(b) Financial assets		
	(i) Trade receivables	46.98	37.23
	(ii) Cash and cash equivalents	70.42	61.20
	(iii) Other financial assets	1.09	0.76
	(c) Other current assets	6.13	6.03
	<b>Total current assets</b>	<b>135.12</b>	<b>115.44</b>
	<b>TOTAL ASSETS ( I + II )</b>	<b>646.21</b>	<b>601.16</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>Equity</b>		
	(a) Equity share capital	995.68	995.68
	(b) Other Equity	(1,160.87)	(1,202.28)
	<b>Total equity</b>	<b>(165.19)</b>	<b>(206.60)</b>
<b>II</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	500.00	500.00
	(b) Provisions	16.84	22.19
	<b>Total non-current liabilities</b>	<b>516.84</b>	<b>522.19</b>
<b>III</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Trade payables		
	(a) Total outstanding dues of micro and small enterprises	0.80	3.03
	(b) Total outstanding dues of creditors other than micro and small enterprises	241.75	228.79
	(ii) Other financial liabilities	30.45	32.77
	(b) Other current liabilities	5.30	5.92
	(c) Provisions	13.16	13.16
	(d) Current tax liabilities (net)	3.09	1.90
	<b>Total current liabilities</b>	<b>294.56</b>	<b>285.57</b>
	<b>Total liabilities ( II + III )</b>	<b>811.40</b>	<b>807.76</b>
	<b>TOTAL EQUITY AND LIABILITIES ( I + II + III )</b>	<b>646.21</b>	<b>601.16</b>

For MEDINOVA DIAGNOSTIC SERVICES LIMITED

SURA  
SURENDRANATH  
REDDYDigitally signed by SURA  
SURENDRANATH REDDY  
Date: 2024.10.29  
13:01:14 +05'30'Place: Hyderabad  
Date: 29-10-2024Dr. S. SURENDRANATH REDDY  
CHAIRMAN  
DIN 00108599



## MEDINOVA DIAGNOSTIC SERVICES LIMITED

CIN: L85110TG1993PLC015481

Regd. Office : H.No. 7-1-58, Unit No. 1/Flat No.301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad - 500 016.

## Standalone Statement of Cash Flows

Particulars	(Rs. in Lakhs)	
	Half Year Ended September 30, 2024 (Unaudited)	Half Year Ended September 30, 2023 (Unaudited)
<b>A Cash flow from operating activities</b>		
Profit before tax	56.19	46.18
Adjustments for:		
Depreciation and amortisation expenses	6.74	6.00
Net (gain)/loss on sale of property, plant and equipment	3.20	-
Interest income	(0.29)	(0.81)
Provision for credit impaired receivables	-	6.00
Finance costs	25.07	28.83
Liabilities no longer required written back	-	0.19
<b>Operating profit before changes in assets and liabilities</b>	<b>90.92</b>	<b>86.39</b>
<b>Changes in working capital:</b>		
Decrease/(Increase) in trade receivables	(9.75)	10.00
Decrease/(Increase) in inventories	(0.28)	0.01
Decrease/(Increase) in other financial assets	(2.00)	(0.22)
Decrease/(Increase) in other tax assets	(2.01)	(4.82)
Decrease/(Increase) in other current assets	(0.10)	(1.63)
Increase/(Decrease) in trade payables	10.73	9.44
Increase/(Decrease) in provisions and other liabilities	(4.77)	(13.50)
Increase/(Decrease) in other financial liabilities	(0.87)	(2.61)
<b>Cash generated from operations</b>	<b>81.87</b>	<b>83.07</b>
Income tax paid	(9.00)	(4.50)
<b>Net cash from operating activities</b>	<b>72.87</b>	<b>78.57</b>
<b>B Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(39.88)	(17.78)
Proceeds from sale of property, plant and equipment	2.75	-
Interest received	-	0.70
<b>Net cash used in investing activities</b>	<b>(37.13)</b>	<b>(17.08)</b>
<b>C Cash flows from financing activities</b>		
Interest paid	(26.52)	(28.55)
<b>Net cash from/(used in) financing activities</b>	<b>(26.52)</b>	<b>(28.55)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>9.22</b>	<b>32.94</b>
Cash and cash equivalents at the beginning of the year	61.20	61.31
<b>Cash and cash equivalents at end of the year</b>	<b>70.42</b>	<b>94.25</b>
<b>Note:</b>		
(a) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.		
(b) Cash and cash equivalents mentioned above comprise the following:		
	As at September 30, 2024	As at September 30, 2023
Cash on hand	1.16	1.04
Balances with banks		
- in current accounts	69.26	93.21
<b>Total cash and cash equivalents</b>	<b>70.42</b>	<b>94.25</b>
<b>(c) Net Debt Reconciliation</b>		
	As at September 30, 2024	As at September 30, 2023
Opening balance of borrowings	500.00	575.00
Add:- Proceeds from borrowings during the year	-	-
Less:- Repayment of borrowings during the year	-	-
<b>Closing balance of borrowings</b>	<b>500.00</b>	<b>575.00</b>
For MEDINOVA DIAGNOSTIC SERVICES LIMITED		
SURA SURENDRANATH REDDY Digitally signed by SURA SURENDRANATH REDDY Date: 2024.10.29 13:01:57 +05'30'		
Place: Hyderabad Date: 29-10-2024	Dr. S. SURENDRANATH REDDY CHAIRMAN DIN 00108599	



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B S R and Co

**Annexure B to the Independent Auditor's Report on the standalone financial statements of Vijaya Diagnostic Centre Limited for the year ended 31 March 2024**

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

**(Referred to in paragraph 2(A)(g) 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 Vijaya Diagnostic Centre Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, 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 based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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



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B S R and Co

**Annexure B to the Independent Auditor's Report on the standalone financial statements of Vijaya Diagnostic Centre Limited for the year ended 31 March 2024 (Continued)**

**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 B S R and Co**

*Chartered Accountants*

Firm's Registration No.:128510W

AMIT  
KUMAR  
BAJAJ

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AMIT KUMAR BAJAJ  
Date: 2024.05.08  
23:13:10 +05'30'

**Amit Kumar Bajaj**

*Partner*

Place: Hyderabad

Date: 08 May 2024

Membership No.: 218685

ICAI UDIN:24218685BKGPOO4698



Vijaya Diagnostic Centre Limited  
Standalone Balance Sheet as at March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	4 (a)	35,276.27	28,157.05
(b) Capital work-in-progress	4 (b)	820.26	2,710.61
(c) Right-of-use assets	4 (c)	21,504.72	22,233.92
(d) Investment property	4 (d)	1,097.12	1,100.83
(e) Other intangible assets	5	364.47	219.23
(f) Intangible assets under development	5	42.48	63.06
(g) Financial assets			
(i) Investments	6 (a)	14,450.35	487.35
(ii) Loans	6 (c)	1,286.00	575.00
(iii) Other financial assets	6 (f)	938.26	844.48
(h) Deferred tax assets (net)	7	196.69	769.55
(j) Other tax assets (net)	21 (d)	3.73	3.73
(i) Other non-current assets	9	618.73	861.51
<b>Total non-current assets</b>		<b>76,599.08</b>	<b>58,026.32</b>
<b>II Current assets</b>			
(a) Inventories	8	440.53	192.64
(b) Financial assets			
(i) Investments	6 (a)	10,912.98	13,899.32
(ii) Trade receivables	6 (b)	1,283.95	885.13
(iii) Cash and cash equivalents	6 (d)	1,556.38	2,328.97
(iv) Bank balances other than (iii) above	6 (e)	4,644.91	8,813.59
(v) Other financial assets	6 (f)	339.70	359.66
(c) Other current assets	9	436.23	500.65
<b>Total current assets</b>		<b>19,614.68</b>	<b>26,979.96</b>
<b>TOTAL ASSETS (I + II)</b>		<b>96,213.76</b>	<b>85,006.28</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	10 (a)	1,023.46	1,020.71
(b) Other equity	10 (b)	64,308.65	53,488.09
<b>Total equity</b>		<b>65,332.11</b>	<b>54,508.80</b>
<b>Liabilities</b>			
<b>II Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	4 (c)	23,267.78	23,303.01
(b) Provisions	12	978.81	684.35
(c) Other non-current liabilities	13	34.17	46.07
<b>Total non-current liabilities</b>		<b>24,280.76</b>	<b>24,033.43</b>
<b>III Current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	4 (c)	1,751.35	1,452.89
(ii) Trade payables	11 (a)		
- Total outstanding dues of micro enterprises and small enterprises		56.75	51.26
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,004.21	2,667.98
(iii) Other financial liabilities	11 (b)	1,057.20	1,369.72
(b) Other current liabilities	13	375.37	351.50
(c) Provisions	12	257.33	335.49
(d) Current tax liabilities (net)	21 (d)	98.68	235.21
<b>Total current liabilities</b>		<b>6,600.89</b>	<b>6,464.05</b>
<b>Total Liabilities (II + III)</b>		<b>30,881.65</b>	<b>30,497.48</b>
<b>TOTAL EQUITY AND LIABILITIES (I + II + III)</b>		<b>96,213.76</b>	<b>85,006.28</b>

Corporate information  
Basis of preparation and measurement and material accounting policies  
The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.  
For **B S R and Co**  
Chartered Accountants  
ICAI Firm registration number: 128510W

**AMIT KUMAR BAJAJ**  
Digitally signed by  
AMIT KUMAR BAJAJ  
Date: 2024.05.08  
23:13:49 +05'30'

**Amit Kumar Bajaj**  
Partner  
Membership Number: 218685

Place: Hyderabad  
Date: May 08, 2024

For and on behalf of the Board of Directors of  
**Vijaya Diagnostic Centre Limited**  
CIN: L85195TG2002PLC039075

**SURA SURENDRA NATH REDDY**  
Digitally signed by  
SURA SURENDRA NATH REDDY  
Date: 2024.05.08  
22:03:10 +05'30'

**Dr. S. Surendranath Reddy**  
Executive Chairman  
DIN: 00108599

**SUNIL CHANDRA KONDAPALLY**  
Digitally signed by  
SUNIL CHANDRA KONDAPALLY  
Date: 2024.05.08  
22:22:30 +05'30'

**K. Sunil Chandra**  
Executive Director  
DIN: 01409332

Place: Hyderabad  
Date: May 08, 2024

**SUPRITA SURA REDDY**  
Digitally signed by  
SUPRITA SURA REDDY  
Date: 2024.05.08  
22:03:35 +05'30'

**S. Suprita Reddy**  
Managing Director  
DIN: 00263618

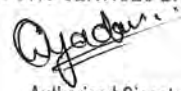
**Narasimha Raju K.A.**  
Chief Financial Officer

**HANSRA J SINGH**  
Digitally signed by  
HANSRAJ SINGH  
Date: 2024.05.08  
22:21:04 +05'30'

**Hansraj Singh Rajput**  
Company Secretary  
Membership No: F11438

For VIJAYA DIAGNOSTIC CENTRE LIMITED  
  
Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.

  
Authorized Signatory

Vijaya Diagnostic Centre Limited  
Standalone Statement of Profit and Loss for the period ended March 31, 2024  
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I Income</b>			
(a) Revenue from operations	14	52,502.27	44,957.93
(b) Other income	15	2,143.89	1,457.33
<b>Total income</b>		<b>54,646.16</b>	<b>46,415.26</b>
<b>II Expenses</b>			
(a) Cost of materials consumed	16	6,284.97	5,758.71
(b) Employee benefits expense	17	8,646.48	7,649.90
(c) Finance costs	19	2,370.82	2,087.61
(d) Depreciation and amortisation expense	18	5,540.59	6,139.43
(e) Other expenses	20	16,351.13	13,652.31
<b>Total expenses</b>		<b>39,193.99</b>	<b>35,287.96</b>
<b>III Profit before exceptional item and tax</b>		<b>15,452.17</b>	<b>11,127.30</b>
<b>IV Exceptional items</b>	20	<b>205.00</b>	<b>-</b>
<b>V Profit before tax (III - IV)</b>		<b>15,247.17</b>	<b>11,127.30</b>
<b>VI Tax expense</b>	21		
(a) Current tax		3,209.93	2,753.00
(b) Deferred tax		577.04	50.91
<b>Tax expense</b>		<b>3,786.97</b>	<b>2,803.91</b>
<b>VII Profit for the year (V - VI)</b>		<b>11,460.20</b>	<b>8,323.39</b>
<b>VIII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(a) Remeasurement of defined benefit liability / (asset)		(16.62)	25.91
(b) Income tax relating to items that will not be reclassified to profit or loss	21	4.18	(6.52)
<b>Other comprehensive income for the year, net of tax</b>		<b>(12.44)</b>	<b>19.39</b>
<b>IX Total comprehensive income for the year (VII + VIII)</b>		<b>11,447.76</b>	<b>8,342.78</b>
<b>X Earnings per equity share (face value of Re. 1 each, fully paid)</b>	23		
- Basic (in Rs.)		11.21	8.16
- Diluted (in Rs.)		11.18	8.12
Corporate information	1		
Basis of preparation and measurement and material accounting policies	2 & 3		
The notes referred to above form an integral part of the standalone financial statements			

As per our report of even date attached.  
For B S R and Co  
Chartered Accountants  
ICAI Firm registration number: 128510W

**AMIT KUMAR** Digitally signed by AMIT  
KUMAR BAJAJ  
Date: 2024.05.08  
23:14:29 +05'30'

**Amit Kumar Bajaj**

Partner

Membership Number: 218685

For and on behalf of the Board of Directors of  
**Vijaya Diagnostic Centre Limited**  
CIN: L85195TG2002PLC039075

**SURA** Digitally signed by SURA  
SURENDRANATH REDDY  
Date: 2024.05.08  
22:04:37 +05'30'

**Dr. S. Surendranath Reddy**  
Executive Chairman  
DIN: 00108599

**SUNIL** Digitally signed by SUNIL  
CHANDRA KONDAPALLY  
Date: 2024.05.08  
22:21:54 +05'30'

**K. Sunil Chandra**  
Executive Director  
DIN: 01409332

**SUPRITA** Digitally signed by SUPRITA  
SURA REDDY  
Date: 2024.05.08  
22:05:04 +05'30'

**S. Suprita Reddy**  
Managing Director  
DIN: 00263618

**Narasimha Raju K.A.**  
Chief Financial Officer

**HANSRAJ** Digitally signed by HANSRAJ  
SINGH  
Date: 2024.05.08  
22:21:56 +05'30'

**Hansraj Singh Rajput**  
Company Secretary  
Membership No F11438

Place: Hyderabad  
Date: May 08, 2024

Place: Hyderabad  
Date: May 08, 2024



Vijaya Diagnostic Centre Limited  
 Standalone Statement of Cash Flows for the year ended March 31, 2024  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(A) Cash flows from operating activities</b>		
Profit before tax	15,247.17	11,127.30
Adjustments for:		
Depreciation and amortisation expense	5,540.59	6,139.43
Net gain on sale/retirement of property, plant and equipment	(195.15)	(8.60)
Interest income under the effective interest method	(638.87)	(859.70)
Rental income from investment property	(37.00)	(36.00)
Gain on sale of mutual funds	(1,566.26)	(86.49)
Write off of loans given	-	9.34
Loss allowance for trade receivables	30.00	20.00
Provision for doubtful advances	-	20.00
Equity-settled share-based payment transactions (ESOP)	93.17	71.67
Fair value gain on investments measured at FVTPL *	318.70	(385.44)
Finance costs	2,176.26	1,940.03
Liabilities no longer required written back	(5.51)	(66.70)
<b>Operating profit before working capital adjustments</b>	<b>20,963.10</b>	<b>17,884.84</b>
Working capital adjustments:		
Decrease/(Increase) in trade receivables	(428.82)	63.54
Decrease/(Increase) in inventories	(247.89)	217.35
Decrease in other financial assets	21.25	261.93
(Increase) in other assets and deposits	(101.46)	(217.26)
Increase in trade payables	347.23	746.67
Increase in provisions and other liabilities	113.12	96.28
(Decrease)/Increase in other financial liabilities	156.78	(182.33)
<b>Cash generated from operating activities</b>	<b>20,823.31</b>	<b>18,871.02</b>
Income tax paid, net	(3,346.46)	(2,607.45)
<b>Net cash flow generated from operating activities</b>	<b>17,476.85</b>	<b>16,263.57</b>
<b>(B) Cash flows from investing activities</b>		
Acquisition of property, plant and equipment, capital work-in-progress (CWIP), other intangible assets and intangible assets under development (including capital advances and capital creditors)	(8,591.84)	(12,445.58)
Proceeds from sale of property, plant and equipment	284.18	25.71
Investment in liquid mutual funds/bonds, net	4,233.90	(8,003.84)
Deposits redeemed having original maturity of more than 3 months, net	4,028.40	8,752.89
Investment in subsidiary (refer note 6(a))	(13,964.00)	-
Loans given to subsidiaries	(786.00)	-
Loans repaid by subsidiaries	75.00	95.63
Rental income from investment property	37.00	36.00
Interest received	768.75	691.48
<b>Net cash used in investing activities</b>	<b>(13,914.61)</b>	<b>(10,847.71)</b>
<b>(C) Cash flows from financing activities</b>		
Payment of lease liabilities	(3,617.21)	(3,221.17)
Proceeds from issue of equity shares under ESOP	305.05	115.90
Dividend paid	(1,022.67)	(1,020.64)
<b>Net cash used in financing activities</b>	<b>(4,334.83)</b>	<b>(4,125.91)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(772.59)</b>	<b>1,289.95</b>
Cash and cash equivalents at the beginning of the year	2,328.97	1,039.02
<b>Cash and cash equivalents at the end of the year</b>	<b>1,556.38</b>	<b>2,328.97</b>

Note:

(a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.





Vijaya Diagnostic Centre Limited  
Standalone Statement of Cash Flows for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Cash and cash equivalents as per above comprise of the following:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	83.48	54.50
Balances with banks		
- in current accounts	568.19	1,072.50
- unpaid dividend accounts	0.71	0.47
- in deposit accounts with original maturity period of 3 months or less	904.00	1,201.50
<b>Total cash and cash equivalents (refer note 6(d))</b>	<b>1,556.38</b>	<b>2,328.97</b>

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Movement in financial liabilities:</b>		
Opening balance		
Lease liabilities	24,755.90	18,282.80
<b>Movement</b>		
Interest and principal payment of lease liabilities	(3,617.21)	(3,221.17)
Interest expense	2,116.17	1,889.66
Other non-cash movements		
- Additions / Disposals to lease liabilities (net)	1,764.27	7,804.61
<b>Closing balance</b>		
Lease liabilities	25,019.13	24,755.90

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.  
For B S R and Co  
Chartered Accountants  
ICAI Firm registration number: 128510W

AMIT KUMAR BAJAJ  
Digitally signed by  
AMIT KUMAR BAJAJ  
Date: 2024.05.08  
23:15:06 +05'30'

Amit Kumar Bajaj  
Partner  
Membership Number: 218685

For and on behalf of the Board of Directors of  
Vijaya Diagnostic Centre Limited  
CIN: L85195TG2002PLC039075

SURA  
SURENDRANATH REDDY  
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Digitally signed by  
SURA  
SURENDRANATH REDDY  
Date: 2024.05.08  
22:06:57 +05'30'

Dr. S. Surendranath Reddy  
Executive Chairman  
DIN: 00108599

SUNIL CHANDRA KONDAPALLY  
Digitally signed by  
SUNIL CHANDRA KONDAPALLY  
Date: 2024.05.08  
22:22:38 +05'30'

K. Sunil Chandra  
Executive Director  
DIN: 01409332

SUPRITA SURA REDDY  
Digitally signed by  
SUPRITA SURA REDDY  
Date: 2024.05.08  
22:07:14 +05'30'

S. Suprita Reddy  
Managing Director  
DIN: 00263618

Kolukuluri Appala Narasimha Raju  
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Kolukuluri Appala Narasimha Raju  
Date: 2024.05.08  
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Narasimha Raju K.A.  
Chief Financial Officer

HANSRAJ SINGH  
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Date: 2024.05.08  
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Hansraj Singh Rajput  
Company Secretary  
Membership No.F11438

Place: Hyderabad  
Date: May 08, 2024

Place: Hyderabad  
Date: May 08, 2024





**Vijaya Diagnostic Centre Limited**  
**Statement of Changes in Equity for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Equity share capital	Reserves and surplus			Total
		General reserve	Share based payment reserve	Securities premium	
<b>As at April 01, 2022</b>	1,019.66	493.20	196.29	4,590.28	46,998.04
<b>Total comprehensive income for the year ended March 31, 2023</b>					
Profit for the year	-	-	-	-	8,323.39
Other comprehensive income for the year	-	-	-	-	19.39
<b>Total comprehensive income</b>	-	-	-	-	8,342.78
On account of Share based payments (refer note 29)	-	-	71.67	-	71.67
Transfer on account of employee share options lapsed/forfeited	-	45.00	(45.00)	-	-
Transfer on account of employee share options exercised	-	30.52	(30.52)	-	-
Proceeds from issue of shares under ESOP plan	1.05	-	-	115.90	116.95
Payment of dividend (refer note 10 (b))	-	-	-	-	(1,020.64)
<b>As at March 31, 2023</b>	1,020.71	568.72	192.44	4,706.18	54,508.80
<b>Total comprehensive income for the year ended March 31, 2024</b>					
Profit for the year	-	-	-	-	11,460.20
Other comprehensive income for the year	-	-	-	-	(12.44)
<b>Total comprehensive income</b>	-	-	-	-	11,447.76
On account of Share based payments (refer note 29)	-	-	93.17	-	93.17
Transfer on account of employee share options lapsed/forfeited	-	85.51	(85.51)	-	-
Transfer on account of employee share options exercised	-	79.05	(79.05)	-	-
Proceeds from issue of shares under ESOP plan	2.75	-	-	302.30	305.05
Payment of dividend (refer note 10 (b))	-	-	-	-	(1,022.67)
<b>As at March 31, 2024</b>	1,023.46	733.28	121.05	5,008.48	65,332.11

As per our report of even date attached.

For **BSR and Co**

Chartered Accountants

ICAI Firm registration number: 128510W

**AMIT KUMAR**

**BAJAJ**

Partner

Membership Number: 218685

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AMIT KUMAR  
Date: 2024.05.08 10:30

For and on behalf of the Board of Directors of

**Vijaya Diagnostic Centre Limited**

CIN: L85195TG2002PLC039075

**SURA**

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SURA  
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**ATH REDDY**

Executive Chairman  
DIN: 00108599

**SUPRITA**

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Date: 2024.05.08 22:08:52 +05'30'

**S. Suprita Reddy**

Managing Director  
DIN: 00263618

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SUNIL CHANDRA  
KONDAPALLY  
Date: 2024.05.08 22:23:19 +05'30'

**K. Sunil Chandra**

Executive Director  
DIN: 01409332

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HANSRA J SINGH  
Date: 2024.05.08 22:23:49 +05'30'

**Hansraj Singh Rajput**

Company Secretary  
Membership No.F11438

Place: Hyderabad

Date: May 08, 2024

Place: Hyderabad

Date: May 08, 2024



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024

# 1. Corporate information

Vijaya Diagnostic Centre Limited ('the Company') is engaged in the business of providing comprehensive range of diagnostic services, spanning pathological investigations, basic and high end radiology, nuclear medicine and related healthcare services.

The Company is domiciled and incorporated in India on June 05, 2002 and has its registered and corporate office at # 6-3-883/F, Ground Floor, Family Planning Association of India, Panjagutta, Hyderabad - 500 082, India.

The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

# 2. Basis of preparation and measurement

## (i) Statement of compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013.

The standalone financial statements were approved by the Board of Directors and authorised for issue on May 08, 2024.

## (ii) Change in accounting estimates

The Company charged depreciation on Property, Plant and Equipment based on Written Down Value ("WDV") method from 01 April 2022 to 31 December 2022. With effect from 01 January 2023, the Company changed its method of depreciation from WDV to Straight Line Method ("SLM") based on the technical assessment of the expected pattern of consumption of future economic benefits embodied in the assets as per Ind AS 16.

As per Ind AS 8, the effect of change in accounting estimate has to be given prospectively in the financial statements. Accordingly, the Company has changed the method of depreciation w.e.f 01 January 2023. Due to this change in accounting estimate, the depreciation expense is lower and the profit before tax is higher by Rs. 3,874.67 lakhs for the year ended 31 March 2024. Refer note 4(a)(i) for change in accounting estimate.

## (iii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

## (iv) Basis of measurement

These standalone financial statements have been prepared under the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Item Basis	Measurement
Certain financial assets and liabilities	Fair Value or Amortised Cost
Equity securities at FVOCI	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less the present value of the defined benefit obligations (refer note 28)
Equity settled share based payments	Fair Value

## (v) Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(f), 20 - lease term, whether the Company is reasonably certain to exercise extended options

### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes.

- Note 28 - measurement of defined benefit obligations: key actuarial assumptions;
- Notes 12 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 6 (b) - impairment of financial assets;
- Note 4 and Note 5 - determining an asset's expected useful life and the expected residual value at the end of its life
- Note 29 - Employee share based payments; equity settled
- Note 6(b), 33 C(i) - measurement of ECL allowance for trade receivables

## (vi) Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 4 - Investment Property;
- Note 29 - Share based payments.
- Note 33 - Financial Instruments.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024

## 2. Basis of preparation and measurement (continued)

### (vii) Current and non-current classification:

The Company classifies an asset as current when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it expects to realise the asset within twelve months after the reporting period;
- it holds the asset primarily for the purpose of trading; or
- the asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as a current when:

- it is expected to be settled in the Company's normal operating cycle;
- the liability is due to be settled within twelve months from the reporting period;
- it is held primarily for the purposes of being trading;
- it does not hold an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

## 3. Material accounting policies

### A. Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

#### i) Diagnostic services

Revenue from diagnostic services is recognized on amount billed net of discounts / concessions if any. No element of financing is deemed present as the sales are made primarily on cash and carry basis, however for institutional / organizational customers billing is done fortnightly / monthly based on the agreement, which is consistent with market practice.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the underlying tests are conducted, samples are processed for requisitioned diagnostic tests. Each service is generally a separate performance obligation and therefore revenue is recognised at a point in time when the tests are conducted, samples are processed. For multiple tests, the Company measures the revenue in respect of each performance obligation at its relative stand alone selling price and the transaction price is allocated accordingly. The price that is regularly charged for a test separately registered is considered to be the best evidence of its stand alone selling. Revenue contracts are on principal to principal basis and the Company is primarily responsible for fulfilling the performance obligation.

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfer services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

Revenues in excess of invoicing are classified as contract assets (referred to as 'unbilled revenue') while invoicing in excess of revenues are classified as contract liabilities (referred to as 'unearned revenue').

#### ii) Sale of Privilege cards

The Company operates a discount scheme where certain 'Privilege cards' are sold to the customers against which specified discounts are given on the future diagnostic services availed by the customer for a specified period. The Company recognises revenue from the sale of such cards over the period for which the card is valid. The difference in sale consideration received and revenue recognised is recognised as deferred revenue.

### B. Recognition of dividend income, interest income or expense and rental income

#### Dividend income

Dividend are recognised in statement of profit and loss on the date on which the Company's right to receive payment is established.

#### Interest income or expense

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

#### Rental income

Rental income from investment property is recognised as part of Other income in statement profit and loss on the date on which the Company's right to receive payment is established.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024

### C. Financial instruments

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

#### i) Initial recognition and measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets or financial liabilities are initially recognised when the Company becomes a party to the contractual provision of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

The average credit period from these services provided to customers is 0 to 60 days. No interest is charged on the trade receivables for the amount over due above the credit period. A trade receivable without a significant financing component is initially measured at the transaction price.

#### ii) Classification and subsequent measurement

##### Financial assets

All financial assets are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- Its held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### Subsequent measurement

**Financial assets at FVTPL.** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**Financial assets at amortised cost.** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Equity investments at FVOCI.** These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

##### Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

#### iii) Derecognition

##### Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
- substantially all of the risks and rewards of ownership of the financial asset are transferred, or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets in these cases, the transferred assets are not derecognised.

##### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2023

### 3. Material accounting policies (continued)

#### D. Property, plant and equipment

##### i) Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at historical cost less any accumulated impairment losses.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working conditions for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

The net written down value as at April 01, 2016 has been considered as the gross carrying amount recognised as per the previous GAAP (Deemed cost) as at the date of transition to Ind AS.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

##### ii) Depreciation

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives. The Company has charged depreciation on property, plant and equipment (PPE) based on Written Down Value ("WDV") method upto 31 December 2022. With effect from 01 January 2023, the Company has changed its method of depreciation from WDV to Straight Line Method ("SLM") based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the assets.

Depreciation is charged over the useful lives of the assets as estimated by the management based on technical evaluation, which coincide with the useful life prescribed in Schedule II to the Act. Depreciation on additions and deletions are restricted to the period of use.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Buildings	60 years	60 years
Plant and equipment		
- Medical and diagnostic equipments	13 years	13 years
- Other equipments	15 years	15 years
Electrical equipments	10 years	10 years
Furniture and fixtures	10 years	10 years
Office equipments	5 years	5 years
Computers		
- Servers and networks	6 years	6 years
- End user devices such as laptops, etc.	3 years	3 years
Vehicles	8 years	8 years

In case of Building on leasehold land, the depreciation is charged based on useful life of the building or the lease period whichever is lower. In the case of lease hold building improvements, the depreciation is charged based on useful life of the improvements which is 10 years or lease period including expected renewal period which ever is lower.

Residual value is considered to be 5% on all the assets, as technically estimated by the management.

Assets costing below Rs. 5,000 are depreciated using depreciation rate at 100%.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

##### iii) Investment property

##### Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost, including related transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised of profit or loss.

##### Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

##### Depreciation

Depreciation on investment property, other than perpetual leasehold land, is calculated on Straight Line Method (SLM) method based on useful life estimated by the Management, which is equal to life prescribed in Schedule II of the Act.

##### Fair value disclosure

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.





Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024

### 3. Material accounting policies (continued)

#### E. Intangible assets

##### i) Recognition and measurement

Intangible assets that are acquired, are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

##### ii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the Straight Line Method (SLM) and is included in depreciation and amortisation expense in statement of profit and loss.

The estimated useful lives are as follows:

- Software - 5 years

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### F. Inventories

Inventories comprise of diagnostic kits, reagents, laboratory chemicals, consumables etc., these are measured at lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out formula and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

#### G. Impairment of assets

##### i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12 months expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

##### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

'Expected credit losses' are discounted at the effective interest rate of the financial statement.

##### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

##### Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

##### ii) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amount of non-financial assets, other than inventories and deferred tax assets, to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024

### 3. Material accounting policies (continued)

#### II. Employee benefits

##### (i) Short-term employee benefits

Short term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### (ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

The Company makes specified monthly contributions towards Government administered provident fund scheme and Employees' State Insurance (ESI) scheme.

Obligations for contributions to defined contribution plans are expensed as an employee benefits expense in statement of profit and loss in the period in which the related services are rendered by employees.

##### (iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Company recognises gain and losses on settlement of a defined benefit plan when the settlement occurs.

##### (iv) Other long-term employee benefits - compensated absences

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Company's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

##### (v) Share based payments

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefits expense, with a corresponding increase in equity, over the vesting period of the options. The amount recognised as an expense is adjusted to reflect the number of options for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of options that meet the related service and non-market performance conditions at the vesting date. For share-based payment options with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

#### I. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

##### As a Lessor:

Leases for which the Company is a lessor are classified as a finance or operating lease. Whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income from operating leases are recognised on straight line basis over the term of relevant lease as part of other income.

##### As a Lessee:

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.





Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024

### 3. Material accounting policies (continued)

#### J. Income-tax

Income-tax expenses comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

##### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

##### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### K. Provision, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate.

##### Contingencies:

Provision in respect of loss / contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

##### Contingent liabilities and contingent assets:

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

#### L. Earnings per share

##### Basic Earnings per share

Basic Earnings Per Share ("EPS") is calculated by dividing the profit attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

##### Diluted Earnings per share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024

**3. Material accounting policies (continued)**

**M. Exceptional items**

The Company discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of the Company and provides consistency with the Company internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

**N. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**O. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet and cash flow statement consists of cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities less than three months which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

**P. Investments in subsidiaries**

Investments in subsidiaries carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

**Q. Dividend**

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period.

**R. Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**S. Material accounting policy information**

The Company adopted "Disclosure of Accounting Policies (Amendments to Ind AS 1)" from April 01, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

**T. Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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**Vijaya Diagnostic Centre Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**4. (a) Property, plant and equipment**

Particulars	Freehold land	Buildings	Buildings on leasehold land	Leasehold improvements	Plant and equipment - Medical	Plant and equipment - others	Electrical equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
<b>A. Gross carrying value (at cost)</b>												
As at April 01, 2022	3,746.19	617.85	1,255.40	3,337.14	18,864.29	1,890.55	1,458.18	1,871.14	321.76	698.33	274.12	34,336.95
Additions	-	-	-	1,545.12	8,374.04	628.43	600.89	1,275.89	138.83	366.23	590.37	13,509.79
Disposals	-	-	-	(99.57)	(65.96)	(12.17)	(42.67)	(17.82)	-	-	(70.52)	(308.71)
As at March 31, 2023	3,746.19	617.85	1,255.40	4,782.69	37,172.37	2,506.81	2,106.40	3,229.21	460.59	1,064.56	493.97	47,538.03
Additions	-	-	-	1,155.19	7,236.21	300.55	403.23	486.97	95.25	176.33	58.23	10,031.96
Disposals	-	-	-	-	(589.57)	(1.28)	-	-	-	-	(34.77)	(624.62)
As at March 31, 2024	3,746.19	617.85	1,255.40	5,937.88	33,939.01	2,806.08	2,509.63	3,716.18	555.84	1,240.88	617.43	56,944.37
<b>B. Accumulated depreciation</b>												
As at April 01, 2022	-	137.20	585.75	1,838.41	9,833.36	878.31	756.07	990.39	235.70	518.60	162.45	15,926.24
Depreciation charge for the year	-	19.63	58.36	495.03	2,126.49	194.16	228.80	337.33	88.54	153.63	28.44	3,760.63
Disposals	-	-	-	(99.58)	(54.81)	(8.88)	(42.66)	(17.83)	-	-	(62.13)	(285.89)
As at March 31, 2023	-	156.83	644.33	2,233.86	11,915.04	1,063.59	942.21	1,309.89	324.24	672.25	128.76	19,800.98
Depreciation charge for the year (refer note 4(a)(i))	-	7.97	26.48	354.08	1,653.00	120.51	150.30	237.44	56.30	154.17	61.46	2,823.71
Disposals	-	-	-	-	(508.29)	(1.28)	-	-	-	-	(27.02)	(536.59)
As at March 31, 2024	-	164.80	670.79	2,577.94	13,059.75	1,182.83	1,092.51	1,547.33	380.54	826.42	163.20	21,668.10
<b>C. Net carrying value (A-B)</b>												
As at March 31, 2024	3,746.19	453.05	584.61	3,359.94	20,879.26	1,623.26	1,417.12	2,168.85	175.30	414.46	454.23	35,276.27
As at March 31, 2023	3,746.19	461.02	611.09	2,548.83	15,257.33	1,443.22	1,164.19	1,919.32	136.35	392.30	465.21	28,157.05

Notes:  
 Refer to note 22 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

**Note 4(a)(ii):**

The depreciation on Property, plant and equipment is charged based on Written Down Value ("WDV") method upto December 31, 2022. Based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the assets, with effect from January 01, 2023 the depreciation method is changed to Straight Line Method (SLM) hence the carrying value of the assets as on December 31, 2022 has been depreciated as per SLM method over the remaining useful lives of the assets. Due to this change in accounting estimate, the depreciation expense is lower and the profit before tax is higher by Rs. 3,874.67 lakhs for the year ended 31 March 2024.

The impact on account of this change in method of depreciation on the future periods is given below:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2026	For the year ended 31 March 2027	Later years
(Decrease) / Increase in depreciation expense	(3,112.55)	(2,556.73)	(1,229.60)	7,308.88

**Note 4(a)(iv)**

**Title deeds for Freehold land and Buildings**

Particulars	March 31, 2024	March 31, 2023
Title deeds held in the name of Vijaya Diagnostic Centre Limited		Vijaya Diagnostic Centre Limited
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	No	No
Reason for not being held in the name of the Company	Not applicable	Not applicable



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

4. (b) (i) Capital work-in-progress (CWIP)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
As at the beginning of the year	2,710.61	3,410.10
Additions during the year	8,141.61	12,810.30
Less: Capitalised during the year	(10,031.96)	(13,509.79)
As at the end of the year	820.26	2,710.61

(ii) Capital work-in-progress ageing schedule

As at March 31, 2024

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	537.22	-	283.04	-	820.26
Total	537.22	-	283.04	-	820.26

As at March 31, 2023

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	2,427.57	283.04	-	-	2,710.61
Total	2,427.57	283.04	-	-	2,710.61

(iii) The Company does not have any capital work-in-progress which is overdue or has exceeded its cost compared to its original plan and hence capital work-in-progress completion schedule is not applicable.

(iv) There are no CWIP which is temporarily suspended as at March 31, 2024 and March 31, 2023.



Vijaya Diagnostic Centre Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 4. (c) Right-of-use assets and lease liabilities

The Company has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

The Company uses the incremental borrowing rate to discount its lease payments. The rate applied is 8.50% p.a.

(i) Movement in Right-of-use assets ('ROU') and Lease liabilities is given below:

Particulars	Right of use assets (Buildings)
<b>A. Gross carrying value</b>	
As at April 01, 2022	21,611.13
Additions	8,051.35
Disposals	(417.80)
<b>As at March 31, 2023</b>	<b>29,244.68</b>
Additions	1,967.88
Disposals	(259.30)
<b>As at March 31, 2024</b>	<b>30,953.26</b>
<b>B. Accumulated depreciation</b>	
As at April 01, 2022	4,895.88
Depreciation charge for the year	2,369.37
Disposals	(254.49)
<b>As at March 31, 2023</b>	<b>7,010.76</b>
Depreciation charge / Adjustment for the year	2,591.79
Disposals	(154.01)
<b>As at March 31, 2024</b>	<b>9,448.54</b>
<b>C. Net carrying value (A-B)</b>	
<b>As at March 31, 2024</b>	<b>21,504.72</b>
<b>As at March 31, 2023</b>	<b>22,233.92</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	24,755.90	18,282.80
Additions during the year	1,869.56	7,956.26
Disposal during the year	(105.29)	(151.65)
Accretion of interest	2,116.17	1,889.66
Payment of lease liabilities	(3,617.21)	(3,221.17)
<b>Balance as at the end of the year</b>	<b>25,019.13</b>	<b>24,755.90</b>
<b>Bifurcation of Lease liabilities</b>		
- Current lease liabilities	1,751.35	1,452.89
- Non-Current lease liabilities	23,267.78	23,303.01

(ii) Payments recognised as expenses and income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short term leases (refer note 20)	44.02	36.26
	<b>44.02</b>	<b>36.26</b>

(iii) Contractual maturities of lease liabilities on undiscounted basis

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	1,927.24	3,501.80
One to five years	13,018.91	12,966.36
More than five years	23,336.26	24,023.30
	<b>38,282.42</b>	<b>40,491.46</b>

Note: All the leases are entered in the name of the Company



Vijaya Diagnostic Centre Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 4. (d) Investment property

## I. Reconciliation of carrying amount

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A. Gross carrying value (at cost)</b>		
As at the beginning of the year	1,114.77	1,114.77
Additions during the year	-	-
Less: Disposals during the year	-	-
<b>As at the end of the year</b>	<b>1,114.77</b>	<b>1,114.77</b>
<b>B. Accumulated depreciation</b>		
As at the beginning of the year	13.94	4.20
Depreciation charge for the year	3.71	9.74
Disposals during the year	-	-
<b>As at the end of the year</b>	<b>17.65</b>	<b>13.94</b>
<b>C. Net carrying value (A-B)</b>	<b>1,097.12</b>	<b>1,100.83</b>
<b>Fair value</b>	<b>1,736.00</b>	<b>1,307.00</b>

## Information regarding income and expenditure of investment property

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rental income derived from Investment property	37.00	36.00
Direct operating expenses (including repairs and maintenance)	-	-
Less: Depreciation	(3.71)	(9.74)
<b>Profit arising from investment property before indirect expenses</b>	<b>33.29</b>	<b>26.26</b>

## Title deeds

Particulars	March 31, 2024	March 31, 2023
Title deeds held in the name of	Vijaya Diagnostic Centre Limited	Vijaya Diagnostic Centre Limited
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	No	No
Reason for not being held in the name of the Company	Not applicable	Not applicable

## II. Other information

- (i) The fair value of the investment property for the current year was determined by an independent property valuer. The said property has been valued based on local enquiry and market investigation based on composite method.
- (ii) The Company has given the Investment property on operating lease. The Company has no restrictions on the realisability of its investment property.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in Lakhs, except for share data or as otherwise stated)

5. (i) Other intangible assets and Intangible assets under development

Particulars	Software	Intangible assets under development
<b>A. Gross carrying value (at cost)</b>		
As at April 01, 2022	414.72	6.84
Additions	228.18	284.40
Disposals / Capitalisation	-	(228.18)
As at March 31, 2023	642.90	63.06
Additions	306.45	42.48
Disposals / Capitalisation	-	(63.06)
As at March 31, 2024	949.35	42.48
<b>B. Accumulated amortisation</b>		
As at April 01, 2022	279.69	-
Amortisation charge for the year (refer note 4(a)(i))	143.98	-
Disposals	-	-
As at March 31, 2023	423.67	-
Amortisation charge for the year (refer note 4(a)(i))	161.21	-
Disposals	-	-
As at March 31, 2024	584.88	-
<b>C. Net carrying value (A-B)</b>		
As at March 31, 2024	364.47	42.48
As at March 31, 2023	219.23	63.06

(ii) The Company does not have any intangible assets under development which is overdue or has exceeded its cost compared to its original plan and hence, Intangible assets completion schedule is not applicable.

(iii) Intangible assets under development ageing schedule

As at March 31, 2024

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	42.48	-	-	-	42.48
Total	42.48	-	-	-	42.48

As at March 31, 2023

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	63.06	-	-	-	63.06
Total	63.06	-	-	-	63.06

(iv) There are no Intangible assets under development which are temporarily suspended as at March 31, 2024 and March 31, 2023.





Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>6. Financial assets</b>		
<b>(a) Investments</b>		
<b>Non-current</b>		
<b>A. Subsidiaries</b>		
<b>Investment in equity instruments - carried at cost, less provision for other than temporary impairment</b>		
<b>Quoted</b>		
Medinova Diagnostic Services Limited, India [62,02,220 (March 31, 2023: 62,02,220) Equity shares of Rs.10 each fully paid up]	411.06	411.06
<b>Unquoted</b>		
P H Diagnostic Centre Private Limited, India [500,000 (March 31, 2023: Nil) equity shares of Rs.100 each fully paid up]	13,964.00	-
Doctors Lab Medical Services Private Limited, India [Nil (March 31, 2023: 10,000) equity shares of Rs.10 each fully paid up]	-	1.00
<b>Investment in Limited Liability Partnership (LLP)</b>		
<b>Unquoted</b>		
VDC Diagnostics (Karnataka) LLP, India [100% (March 31, 2023: 100%) share in capital contribution]	1,831.29	1,831.29
Less: Share of loss attributable to the Company	(1,760.00)	(1,760.00)
<b>Net investment in LLP</b>	71.29	71.29
<b>Sub-total</b>	<b>14,446.35</b>	<b>483.35</b>
<b>B. Investment in others - Non-trade</b>		
<b>Investment in equity instruments - carried at FVOCI</b>		
<b>Unquoted</b>		
C R Broadcasting Hyderabad Limited [40,000 (March 31, 2023: 40,000) equity shares of Rs. 10 each fully paid up]	4.00	4.00
<b>Sub-total</b>	<b>4.00</b>	<b>4.00</b>
<b>Total (A+B)</b>	<b>14,450.35</b>	<b>487.35</b>
Aggregate book value of quoted investments	411.06	411.06
Aggregate book value of unquoted investments	14,039.29	76.29
Aggregate book value of impairment in value of investments	-	-
Aggregate market value of quoted investments	1,902.22	1,088.49
<b>Current</b>		
<b>Investments at fair value through profit or loss - Quoted</b>		
<b>Mutual funds</b>		
Aditya Birla Sunlife Floating Rate Fund - Nil (March 31, 2023: 1,12,481.50) units	-	336.98
Aditya Birla Sunlife Low Duration Fund - Nil (March 31, 2023: 73,574.67) units	-	449.87
ABSL Money Manager Fund- Nil (March 31, 2023: 3,47,967.47) units	-	1,109.25
ABSL Saving Fund- Nil (March 31, 2023: 1,60,099.92) units	-	752.88
Axis Money Market Fund- G-Direct- Nil (March 31, 2023: 79,560.23) units	-	968.73
HDFC Balanced Advantage Fund - Reg - Growth - Nil (March 31, 2023: 3,12,765.36) units	-	1,011.18
HDFC Low Duration Fund - Nil (March 31, 2023: 805,643.61) units	-	423.13
Bandhan Banking & PSU Debt Fund Growth - Nil (March 31, 2023: 48,65,969.99) units (formerly IDFC mutual fund)	-	1,039.03
Bandhan Low Duration Fund D- Growth - Nil (March 31, 2023: 42,00,260.34) units (formerly IDFC mutual fund)	-	1,406.31
Kotak Low Duration Fund - Nil (March 31, 2023: 12,724.06) units	-	389.44
Kotak Money Market Fund-DP-Growth Nil (March 31, 2023: 15,810.84) units	-	605.29
Nippon India Money Market Fund- G-Direct- Nil (March 31, 2023: 24,136.90) units	-	856.26
SBI Magnum Ultra Short Duration Fund (DG)- Nil (March 31, 2023: 7,941) units	-	409.63
SBI Savings Fund-DP-Growth- Nil (March 31, 2023: 21,49,800.57) units	-	807.71
TATA Treasury Advantage Fund-D-Growth - Nil (March 31, 2023: 33,517.07) units	-	1,144.93
Tata Money Market Fund-DP-Growth- Nil (March 31, 2023: 29,779.82) units	-	1,205.50
HDFC Liquid Fund-Direct-Growth - 24,650.89 (March 31, 2023: Nil) units	1,169.35	-
Bandhan Liquid fund Growth - Direct - 24,698.69 (March 31, 2023: Nil) units	720.55	-
ADITYA BIRLA SUN LIFE LIQUID FUND-1,16,169.69 (March 31, 2023: Nil) units	452.69	-
TATA Liquid Fund-Direct Plan-Growth- 40,346.31 (March 31, 2023: Nil) units	1,537.30	-
Nippon India Liquid Fund-DP-Growth-12,439.91 (March 31, 2023: Nil) units	735.07	-
ICICI Prudential Liquid Fund - Direct - Growth-1,13,466.16 (March 31, 2023: Nil) units	405.54	-
Franklin India Liquid Fund - Dp - Growth-58,516.54 (March 31, 2023: Nil) units	2,122.33	-
DSP Liquid Fund - Direct - Growth-21,781.19 (March 31, 2023: Nil) units	751.75	-
Axis Liquid Fund - D-Growth-1,12,470.7 (March 31, 2023: Nil) units	3,018.40	-
<b>Investments in Bonds</b>		
Axis Finance Limited - Bonds having face value of Rs. 10,00,000 each Nil (March 31, 2023: 83)	-	992.20
<b>Sub-total</b>	<b>10,912.98</b>	<b>13,899.32</b>
Aggregate book value of quoted investments	10,912.98	13,899.32
Aggregate market value of quoted investments	10,912.98	13,899.32
Aggregate value of impairment in value of investments	-	-
Aggregate value of unquoted investments	-	-

No strategic investments were disposed off during the year ended 31 March 2024, and there were no transfers of any cumulative gain or loss within equity relating to these investments.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(b) Trade receivables</b>		
Trade receivables- considered good- Secured	-	-
<b>Trade receivables- considered good- Secured</b>	-	-
Trade receivables- considered good- Unsecured*	1,378.62	996.28
Less: Allowance for expected credit loss	(94.67)	(111.15)
<b>Trade receivables- considered good- Unsecured</b>	<b>1,283.95</b>	<b>885.13</b>
Trade receivables- credit impaired- Unsecured	106.88	60.40
Less: Allowance for credit impaired	(106.88)	(60.40)
<b>Trade receivables- credit impaired- Unsecured</b>	<b>-</b>	<b>-</b>
	<b>1,283.95</b>	<b>885.13</b>

\* Include amount receivable from related parties (refer note 30)

**Trade receivables ageing schedule**  
**As at March 31, 2024**

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	311.35	581.05	387.63	56.87	10.52	31.20	1,378.62
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	10.20	12.28	1.14	22.87	60.39	106.88
<b>Total (A)</b>	<b>311.35</b>	<b>591.25</b>	<b>399.91</b>	<b>58.01</b>	<b>33.39</b>	<b>91.59</b>	<b>1,485.50</b>
Allowance for expected credit loss	-	-	-	-	-	-	94.67
Allowance for credit impairment	-	-	-	-	-	-	106.88
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>201.55</b>
<b>Total (A-B)</b>	<b>311.35</b>	<b>591.25</b>	<b>399.91</b>	<b>58.01</b>	<b>33.39</b>	<b>91.59</b>	<b>1,283.95</b>

**As at March 31, 2023**

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	80.85	774.92	59.54	44.08	36.89	-	996.28
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	60.40	60.40
<b>Total (A)</b>	<b>80.85</b>	<b>774.92</b>	<b>59.54</b>	<b>44.08</b>	<b>36.89</b>	<b>60.40</b>	<b>1,056.68</b>
Allowance for expected credit loss	-	-	-	-	-	-	111.15
Allowance for credit impairment	-	-	-	-	-	-	60.40
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>171.55</b>
<b>Total (A-B)</b>	<b>80.85</b>	<b>774.92</b>	<b>59.54</b>	<b>44.08</b>	<b>36.89</b>	<b>60.40</b>	<b>885.13</b>

**(c) Loans**

**Non-current loans**

(Unsecured, considered good)

Loans to subsidiaries (refer note 30)	1,286.00	575.00
	<b>1,286.00</b>	<b>575.00</b>

**Loans to Subsidiaries**

Particulars	March 31, 2024	March 31, 2023
Amount of loan	1,286.00	575.00
Percentage to the total loans	100%	100%
The loan has been given towards the business purposes of the subsidiary		

No loans are due from directors or other officers of the Company either severally or jointly with any other person. Refer note 30 for dues from related parties.

**(d) Cash and cash equivalents**

Cash on hand	83.48	54.50
Balances with banks		
- in current accounts	568.19	1,072.50
- unpaid dividend accounts	0.71	0.47
- in deposit accounts with original maturity period of 3 months or less	904.00	1,201.50
	<b>1,556.38</b>	<b>2,328.97</b>



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023				
(e) Other bank balances						
Current						
Deposits with banks with original maturity more than three months but less than twelve months * @	4,644.91	8,813.59				
	<u>4,644.91</u>	<u>8,813.59</u>				
@ Fixed deposit of Rs. 12.37 (March 31, 2023: Rs. 10.10) under lien.						
* The deposits made with banks comprise of time deposits, which are available at call.						
(f) Other financial assets						
(Unsecured, considered good)						
Non-current						
Balances with bank held as margin money	6.35	12.37				
Security deposits (rental/electricity deposits)*	931.91	832.11				
	<u>938.26</u>	<u>844.48</u>				
Current						
Fixed deposits with banks, with original maturity of more than twelve months and remaining maturity of less than twelve months from balance sheet date	134.26	-				
Interest accrued on bank deposits and others	119.57	316.26				
Other receivables	19.50	34.72				
Security deposits (rental/electricity deposits) *	66.37	8.68				
	<u>339.70</u>	<u>359.66</u>				
* Includes amount receivable from related parties (refer note 30)						
7. Deferred tax assets, net						
Deferred tax assets						
Decommissioning liability on property, plant and equipment (refer note 12)	185.05	160.25				
Leases	1,096.28	853.42				
Employee benefits	126.06	96.42				
Credit impaired debts	50.73	43.18				
Others	78.12	67.48				
Sub total (A)	<u>1,536.24</u>	<u>1,220.75</u>				
Deferred tax liabilities						
Fair value gain / loss from investments	59.36	139.57				
Property, plant and equipment and Intangible assets	1,280.19	311.63				
Sub total (B)	<u>1,339.55</u>	<u>451.20</u>				
Deferred tax asset/(liability), net (A-B)	<u>196.69</u>	<u>769.55</u>				
Movement in deferred tax assets/ (liabilities)						
On account of	Property, plant and equipment and intangible assets including decommissioning liability	Provision for employee benefits	Leases	Fair value gain / loss from investments	Others	Total
At April 01, 2022	76.21	89.34	598.05	(42.56)	105.94	826.98
(Charged)/credited:						
- to profit or loss	(227.59)	13.60	255.37	(97.01)	4.72	(50.91)
- to OCI	-	(6.52)	-	-	-	(6.52)
As at March 31, 2023	<u>(151.38)</u>	<u>96.42</u>	<u>853.42</u>	<u>(139.57)</u>	<u>110.66</u>	<u>769.55</u>
(Charged)/credited:						
- to profit or loss	(943.76)	25.46	242.86	80.21	18.19	(577.04)
- to OCI	-	4.18	-	-	-	4.18
As at March 31, 2024	<u>(1,095.14)</u>	<u>126.06</u>	<u>1,096.28</u>	<u>(59.36)</u>	<u>128.85</u>	<u>196.69</u>
There are no unrecognized deferred tax assets and liabilities as at March 31, 2024 and March 31, 2023.						
8. Inventories						
(Valued at lower of cost and net realisable value)						
Reagents, chemicals, digital imaging films, consumables etc (net of provision of Rs. 51 (March 31 2023 : Rs. 34))	440.53					192.64
	<u>440.53</u>					<u>192.64</u>
9. Other assets						
(Unsecured, considered good)						
Non-current						
Capital advances	431.80					651.45
Less: Allowance for doubtful advances	(63.63)					(63.63)
	<u>368.17</u>					<u>587.82</u>
Prepaid expenses	250.56					273.69
	<u>618.73</u>					<u>861.51</u>
Current						
Advances other than capital advances						
-Advance to suppliers	85.26					214.02
-Advance to employees	25.44					13.07
Prepaid expenses	325.53					273.56
	<u>436.23</u>					<u>500.65</u>



Vijaya Diagnostic Centre Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>10. Equity</b>		
<b>Authorised share capital</b>		
120,500,000 equity shares of Re. 1 each (March 31, 2023: 120,500,000 equity shares of Re. 1 each)	1,205.00	1,205.00
<b>(a) Equity share capital</b>		
<b>Issued, subscribed and fully paid up capital</b>		
102,345,693 equity shares of Re 1 each (March 31, 2023: 102,071,175 equity shares of Re. 1 each), fully paid-up	1,023.46	1,020.71
	<b>1,023.46</b>	<b>1,020.71</b>

**(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:**

Particulars	March 31, 2024		March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	102,071,175	1,020.71	101,965,926	1,019.66
Issue under Employee Stock Option Plan (refer note 29)	274,518	2.75	105,249	1.05
<b>Shares outstanding at the end of the year</b>	<b>102,345,693</b>	<b>1,023.46</b>	<b>102,071,175</b>	<b>1,020.71</b>

**(ii) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Re. 1 per share (March 31, 2023: Re. 1 per share). Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Details of shareholders holding more than 5% shares in the company**

Particulars	March 31, 2024		March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares:</b>				
Dr S.Surendranath Reddy	33,422,899	32.66%	33,722,899	33.04%
S Suprita Reddy	9,176,933	8.97%	9,176,933	8.99%
K Sunil Chandra	8,596,933	8.40%	9,106,933	8.92%
Nippon Life India Trustee Limited	6,369,308	6.22%	5,867,208	5.75%

As per records the Company including registration of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares

**(iv) Shares held by promoters at the end of the year**

Promoter's Name	March 31, 2024			March 31, 2023		
	No. of Shares	% of holding	% of change	No. of Shares	% of holding	% of change
Dr S Surendranath Reddy	33,422,899	32.66%	(0.38)%	33,722,899	33.04%	0.26%
<b>Total</b>	<b>33,422,899</b>	<b>32.66%</b>	<b>(0.38)%</b>	<b>33,722,899</b>	<b>33.04%</b>	<b>0.26%</b>

(v) During the five years immediately preceding the year, no shares have been bought back, no shares have been issued for consideration other than cash except for equity shares issued by way of bonus as provided below:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Allotted as fully paid up equity shares by way of bonus	-	-	56,647,736	-	-
Shares issued for consideration other than cash	-	-	-	-	-

(vi) For details of share reserved for issue under Employee Stock Option Plan (ESOP) of the Company, refer note 29.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## (b) Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
General reserve	733.28	568.72
Share based payments reserve	121.05	192.44
Securities premium	5,008.48	4,706.18
Retained earnings	58,445.84	48,020.75
<b>Total</b>	<b>64,308.65</b>	<b>53,488.09</b>

## (i) General reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	568.72	493.20
Add: Transfer on account of employee share based options lapsed/forfeited	85.51	45.00
Add: Transfer on account of exercise of employee share based options	79.05	30.52
<b>Balance as at the end of the year</b>	<b>733.28</b>	<b>568.72</b>

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

## (ii) Share based payments reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	192.44	196.29
Add: Share based payments expense (refer note 17)	93.17	71.67
Less: Transfer to general reserve due to employee share based options lapsed/forfeited	(85.51)	(45.00)
Less: Transfer to general reserve due to exercise of employee share based options	(79.05)	(30.52)
<b>Balance as at the end of the year</b>	<b>121.05</b>	<b>192.44</b>

The Company has established equity settled share based payment plans for employees of the Company, refer note 29 for details on these plans.

## (iii) Securities premium

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	4,706.18	4,390.28
Less: Issue of bonus shares	-	-
Add: Proceeds from exercise of employee share based options (ESOP)	302.30	115.90
<b>Balance as at the end of the year</b>	<b>5,008.48</b>	<b>4,706.18</b>

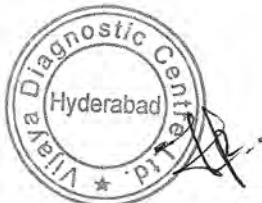
Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the "Act"

## (iv) Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	48,020.75	40,698.61
Add: Profit for the year	11,460.20	8,323.39
Less: Dividend paid	(1,022.67)	(1,020.64)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of defined benefit obligations (net of tax)	(12.44)	19.39
<b>Balance as at the end of the year</b>	<b>58,445.84</b>	<b>48,020.75</b>

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders.

Other comprehensive income (OCI) represents remeasurement of defined employee benefit obligations. Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified to statement of profit and loss.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023				
<b>11. Financial Liabilities</b>						
<b>(a) Trade payables</b>						
Total outstanding dues of micro enterprises and small enterprises ("MSME") (refer note 24)	56.75	51.26				
Total outstanding dues of creditors other than micro enterprises and small enterprises*	3,004.21	2,667.98				
	<b>3,060.96</b>	<b>2,719.24</b>				
* Includes amount payable to related parties (refer note 30)						
<b>Trade payables ageing schedule</b>						
<b>As at March 31, 2024</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	56.75	-	-	-	56.75
(ii) Others	1,593.99	1,376.25	15.42	18.55	-	3,004.21
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,593.99</b>	<b>1,433.00</b>	<b>15.42</b>	<b>18.55</b>	<b>-</b>	<b>3,060.96</b>
<b>As at March 31, 2023</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	51.26	-	-	-	51.26
(ii) Others	1,554.11	1,094.69	6.50	12.68	-	2,667.98
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,554.11</b>	<b>1,145.95</b>	<b>6.50</b>	<b>12.68</b>	<b>-</b>	<b>2,719.24</b>
<b>(b) Other financial liabilities</b>						
<b>Current</b>						
Employee payables	751.42	600.89				
Dividend payable	0.71	0.47				
Capital creditors	305.07	768.36				
	<b>1,057.20</b>	<b>1,369.72</b>				
<b>12. Provisions</b>						
<b>Non-current</b>						
Provision for employee benefits:						
- Gratuity (refer note 28)	243.54	146.37				
Others:						
- Decommissioning liability *	735.27	537.98				
	<b>978.81</b>	<b>684.35</b>				
<b>Current</b>						
Provision for employee benefits:						
- Gratuity (refer note 28)	73.94	85.33				
- Compensated absences	183.39	151.40				
Others:						
- Decommissioning liability *	-	98.76				
	<b>257.33</b>	<b>335.49</b>				
* Provision for Decommissioning liability represents the amounts which would be incurred towards decommissioning the Company's Plant and Machinery- Medical						
<b>Movement in Provision</b>						
<b>Decommissioning liability</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>				
Balance as at the beginning of the year	636.74	511.73				
Add: Unwinding of interest	60.09	50.37				
Add: Provision created during the year	38.44	74.64				
<b>Balance as at the end of the year</b>	<b>735.27</b>	<b>636.74</b>				
<b>13. Other liabilities</b>						
<b>Non-current</b>						
Deferred revenue- contract liability	34.17	46.07				
	<b>34.17</b>	<b>46.07</b>				
<b>Current</b>						
Deferred revenue - contract liability	49.24	38.66				
Statutory liabilities	298.60	283.42				
Advance from customers - contract liability	27.53	29.42				
	<b>375.37</b>	<b>351.50</b>				



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Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>14. Revenue from operations</b>		
Revenue from contracts with customers- Sale of services	52,483.37	44,939.77
<b>Other operating revenue</b>		
- Sale of scrap	18.90	18.16
	<b>52,502.27</b>	<b>44,957.93</b>

**Disclosure as per Ind AS 115 - Revenue from contracts with customers**

**A. Contract balances**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract assets	-	-
Contract liabilities		
- Advances from customers (refer note 13)	27.53	29.42
- Deferred revenue (refer note 13)	83.41	84.73

The revenue recognized during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of contract assets and liabilities.

**B. Movement in contract liabilities during the year**

**March 31, 2024**

Particulars	Deferred Revenue	Advance from customers
Balance at the beginning of the year	84.73	29.42
Less: revenue recognised during the period from above	(45.99)	(30.89)
Add: Addition during the year	44.67	29.00
<b>Balance at the end of the year</b>	<b>83.41</b>	<b>27.53</b>

**March 31, 2023**

Particulars	Deferred Revenue	Advance from customers
Balance at the beginning of the year	23.45	21.18
Less: revenue recognised during the period from above	(22.89)	(18.92)
Add: Addition during the year	84.17	27.16
<b>Balance at the end of the year</b>	<b>84.73</b>	<b>29.42</b>

**C. Reconciliation of revenue recognised with contract price**

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from contract with customer as per the contract price	54,280.47	46,400.60
Adjustments made to contract price on account of :-		
Discount / rebates	(1,797.10)	(1,460.83)
<b>Revenue from contract with customer</b>	<b>52,483.37</b>	<b>44,939.77</b>
Other operating revenue	18.90	18.16
<b>Revenue from operations</b>	<b>52,502.27</b>	<b>44,957.93</b>

**15. Other income**

Interest income under the effective interest method on:

Fixed deposits with banks	497.31	740.71
Loans at amortized cost, given to subsidiaries	74.75	57.50
Financial assets carried at amortised cost	66.81	61.49
Gain on sale of mutual funds	1,566.26	86.49
Fair value gain on investments measured at FVTPL *	(318.70)	385.44
Net gain on sale/retirement of property, plant and equipment	195.15	8.60
Liabilities no longer required written back	5.51	66.70
Rental income from investment property	37.00	36.00
Other non-operating income	19.80	14.40
	<b>2,143.89</b>	<b>1,457.33</b>

\* Unrealized gain on investments in mutual funds

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance of unrealised gain	554.51	169.07
Reversal of unrealised gain during the year (A)	(554.51)	(36.06)
Unrealised gain accounted during the year (B)	235.81	421.50
<b>Impact of unrealised gain on the statement of profit and loss account (A+B)</b>	<b>(318.70)</b>	<b>385.44</b>
<b>Closing balance of unrealised gain</b>	<b>235.81</b>	<b>554.51</b>





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Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>16. Cost of materials consumed</b>		
Inventory of materials as at the beginning of the year (refer note 8)	192.64	409.99
Add: Purchases during the year	6,532.86	5,541.36
Less: Inventory of materials as at the end of the year (refer note 8)	(440.53)	(192.64)
	<b>6,284.97</b>	<b>5,758.71</b>
<b>17. Employee benefits expense</b>		
Salaries, wages and bonus	7,853.27	6,856.99
Contribution to provident and other funds (refer note 28)	421.24	382.76
Gratuity (refer note 28)	139.16	117.22
Compensated absences	78.61	55.20
Equity-settled share-based payment transactions (refer note 29)	93.17	71.67
Staff welfare expenses	61.03	166.06
	<b>8,646.48</b>	<b>7,649.90</b>
<b>18. Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment (refer note 4(a) & note 4(a)(i))	2,823.71	3,740.63
Depreciation on investment properties (refer note 4(d))	3.71	9.74
Amortisation on other intangible assets (refer note 5)	161.21	143.98
Depreciation on right of use assets (refer note 4(c))	2,551.96	2,245.08
	<b>5,540.59</b>	<b>6,139.43</b>
<b>19. Finance costs</b>		
Unwinding of interest on decommissioning liability	60.09	50.37
Interest expense on lease liabilities (refer note 4(c))	2,116.17	1,889.66
Bank charges	194.56	147.58
	<b>2,370.82</b>	<b>2,087.61</b>
<b>20. Other expenses</b>		
Power and fuel	1,738.84	1,448.41
Rent	44.02	36.26
Testing charges	201.35	126.55
Samples collection charges	287.14	303.67
Repairs and maintenance		
a. Building	314.68	181.40
b. Plant and equipment	1,333.99	1,344.10
c. Others	275.20	163.73
House keeping expenses	785.93	725.33
Security charges	427.92	452.86
Insurance	139.12	87.34
Rates and taxes	361.05	262.53
Advertisement, publicity and marketing	407.53	329.19
Business promotion expenses	351.02	237.78
Travelling and conveyance	350.90	309.77
Legal and professional charges (professional fees to doctors, consultants and others)	8,372.61	6,742.48
Payment to auditors (refer note (i) below)	87.80	87.32
Remuneration paid to Independent Directors	56.64	56.64
Postage and communication	171.68	165.74
Printing and stationery	140.06	77.70
Loss allowance for trade receivables	30.00	20.00
Provision for doubtful advances	-	20.00
Write off of loans given	-	9.34
Corporate social responsibility expenditure ('CSR') (refer note (ii) below)	244.33	225.14
Donations *	2.55	10.25
Miscellaneous expenses	226.77	228.78
	<b>16,351.13</b>	<b>13,652.31</b>
* Donations include Rs. 1 (March 31, 2023: Nil) contribution made to political party - Communist Party of India (Marxist)		
<b>Notes:</b>		
<b>i. Payment to auditors (inclusive of taxes)</b>		
As auditors		
- Statutory audit fees	59.00	59.00
- Limited review of quarterly results	21.24	21.24
Reimbursement of expenses	7.56	7.08
	<b>87.80</b>	<b>87.32</b>



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Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>ii. Details of corporate social responsibility expenditure</b>		
(i) Gross amount required to be spent by the Company during the year	244.33	225.14
(ii) Amount approved by the Board to be spent during the year	244.33	225.14
(iii) Amount spent during the year		
- construction/ acquisition of any asset	-	-
- on purpose other than above	244.33	225.14
(iv) (Shortfall) / Excess at the end of the year	-	-
(v) Total of previous years shortfall	-	-
(vi) Details of related party transactions	NA	NA
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA
(viii) Reason for shortfall:		
For the year ending March 31, 2024 and March 31, 2023: No shortfall.		
(ix) Nature of CSR activities:		
a) Skill development		
b) Education		
c) Healthcare		

**iii. Exceptional items**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Acquisition related costs- Financial, legal and tax due diligence	205.00	-
	<b>205.00</b>	<b>-</b>

**21. Income-tax expense**

<b>(a) Amount recognised in statement of profit and loss</b>		
Current tax	3,209.93	2,753.00
Deferred tax attributable to temporary differences	577.04	50.91
<b>Tax expense</b>	<b>3,786.97</b>	<b>2,803.91</b>
<b>(b) Amount recognised in other comprehensive income</b>		
Deferred tax related to items recognised in OCI		
Deferred tax (expense)/income on remeasurements of defined benefit obligations	4.18	(6.52)
<b>Income-tax expense/(income) recognised in OCI</b>	<b>4.18</b>	<b>(6.52)</b>
<b>(c) Reconciliation of effective tax rate:</b>		
Profit before tax	15,247.17	11,127.30
Enacted tax rate in India	25.17%	25.17%
<b>Tax expense at enacted rates</b>	<b>3,837.41</b>	<b>2,800.52</b>
<b>Tax effect of:</b>		
Effect of expenses not deductible for tax purposes	69.69	56.66
Effect of tax at special rates	(66.96)	-
Effect of expenses deductible only for tax purposes	(52.00)	(53.27)
Others	(1.16)	-
<b>Income-tax recognised in the statement of profit and loss</b>	<b>3,786.97</b>	<b>2,803.91</b>

**(d) The following table provides the details of income tax assets and income tax liabilities:**

Particulars	As at March 31, 2024	As at March 31, 2023
Other tax assets (net)	3.73	3.73
Current tax liabilities (net)	(98.68)	(235.21)
	<b>(94.95)</b>	<b>(231.48)</b>
Particulars	As at March 31, 2024	As at March 31, 2023
Net current income-tax liability at the beginning of the year	231.48	85.93
Add: Current tax expense	3,209.93	2,753.00
Less: Tax paid during the year	(3,346.46)	(2,607.45)
<b>Net income tax liability at the end of the year</b>	<b>94.95</b>	<b>231.48</b>



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22. Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts	-	-

The Company based on its legal assessment does not believe that any of the pending claims/litigations if any with statutory authorities/others require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	4,199.07	2,506.90

23. Earnings per share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Earnings for the year</b>		
Net profit for the year attributable to equity shareholders (A)	11,460.20	8,323.39
<b>Shares</b>		
Weighted average number of equity shares for Basic EPS (B)	102,221,031	102,041,263
Add: Effect of dilution		
- On account of outstanding employee based share based options	297,180	440,844
Weighted average number of equity shares for Diluted EPS (C)	102,518,211	102,482,107
<b>(a) Basic earnings per share of face value of Re. 1 each (A/B)</b>	<b>11.21</b>	<b>8.16</b>
<b>(b) Diluted earnings per share of face value of Re. 1 each (A/C)</b>	<b>11.18</b>	<b>8.12</b>



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**24. Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	March 31, 2024	March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
- Principal amount	56.75	51.26
- Interest due on the above	-	-
(b) the amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise; for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

**Note:** The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

**25. Disclosure as per Section 186 of the Companies Act, 2013**

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- (i) Details of investments made are given in Note 6(a)
- (ii) Details of the loans given by the Company is given in Note 6(c)

**26. Operating Segments**

**A. Basis for segmentation**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segment's results are reviewed regularly by the Company's Chairman and Managing Director to make decisions about resources to be allocated to the segments and assess their performance.

The Chief Operating Decision Maker ("CODM") who are the Company's Chairman and Managing Director evaluate the Company's performance and allocates resources based on an analysis of various performance indicators at operational unit level and since there is single operating segment, no segment disclosures of the Company is presented. The Company's operations fall within a single business segment "Diagnostic services".

**B. Geographical information**

The Company operates within India and therefore there are no assets or liabilities outside India.

**C. Major customers**

No single customer contributed more than 10% of the Company's revenues during the year ended March 31, 2024 and March 31, 2023.

**27. Purchase commitments towards reagent kits**

The Company has entered into agreements with certain suppliers for purchase of reagents which include the right to use equipment during the life of the agreement in addition to purchase of minimum committed quantities of reagents every year. These agreements are in substance, cost of reagents and services arrangements provided by the supplier on an annual basis and the minimum purchase commitments therein do not result in more than insignificant penalty on termination of the agreement. The cost of reagents which includes the cost of rental of the equipment is recorded as cost of material consumed.



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## 28. Employee benefit plans

The Company has following post employment benefit plans:

### (a) Defined contribution plans

Contributions were made to provident fund and Employees' State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the respective amount contributed and it has no further contractual nor any other constructive obligation. The expense recognised during the period in the standalone statement of profit and loss towards defined contribution plans is Rs. 421.24 (March 31, 2023: Rs. 382.76).

### (b) Defined benefit plan

The Company provides for Gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for Gratuity. The amount of Gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months, restricted to a sum of Rs. 20.

The Gratuity plan is administered through a Gratuity Scheme with Life Insurance Corporation of India (LIC). The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

### i. Reconciliation of the net defined benefit (asset)/ liability

The amounts recognised in the balance sheet and the movements in the defined benefit obligation and fair value of plan assets over the year are as follows:

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	525.89	294.19	231.70	469.03	253.06	215.97
Current service cost	122.21	-	122.21	103.19	-	103.19
Interest expense/ (income)	38.47	(21.52)	16.95	30.47	(16.44)	14.03
Recognised in statement of profit or loss	160.68	21.52	139.16	133.66	16.44	117.22
Re-measurements:						
Return on plan assets, excluding amounts included in interest expense	-	7.85	7.85	-	1.48	1.48
Actuarial (gains)/ losses arising from:						
- Changes in demographic assumptions	-	-	-	-	-	-
- Changes in financial assumptions	6.08	-	6.08	(26.86)	-	(26.86)
- Experience variance (i.e. actual experience vs assumptions)	2.69	-	2.69	(0.53)	-	(0.53)
Re-measurements recognised in other comprehensive income	8.77	7.85	16.62	(27.39)	1.48	(25.91)
Contribution paid to the plan	-	70.00	(70.00)	-	75.58	(75.58)
Benefits paid	(63.35)	(63.35)	-	(49.41)	(49.41)	-
Closing balance	631.99	314.51	317.48	525.89	294.19	231.70

### ii. Plan assets

Plan assets comprises of the following:

Particulars	March 31, 2024	March 31, 2023
Funds managed by Life Insurance Corporation of India	100%	100%

### iii. Actuarial assumptions

Principal actuarial assumptions for defined benefit obligation are as follows:

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.30%
Salary escalation rate	8.00%	8.00%
Attrition rate	10.00% to 15.00%	10.00% to 15.00%

**Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**Salary escalation rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

**Attrition rate:** Represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

### iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

Particulars	Change in assumption		Impact on defined benefit obligation					
			Increase in Assumption			Decrease in Assumption		
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023		March 31, 2024	March 31, 2023	
Discount rate	1.00%	1.00%	Decreased by	38.77	30.49	Increased by	43.34	34.02
Salary escalation rate	1.00%	1.00%	Increased by	41.86	33.30	Decreased by	38.41	30.57
Attrition rate	50.00%	50.00%	Decreased by	28.29	20.55	Increased by	39.72	30.54

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### v. Expected contributions to the plan for the next annual reporting period

Expected contribution to post-employment benefit plans for the next year ending March 31, 2025 is Rs. 461.92 (March 31, 2024: Rs. 343.59)

### vi. Maturity profile of the defined benefit liability

The weighted average duration of the defined benefit obligation is 6 years (March 31, 2023 - 6 years). The expected maturity analysis of defined benefit obligation on an undiscounted basis is as follows:

Particulars	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
March 31, 2024	73.94	304.78	326.13	396.82
March 31, 2023	85.33	252.99	245.48	318.93



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## 29. Share based payments

### VDCI Employee Stock Option Plan 2018 "The Plan" or "ESOP 2018"

The shareholders of the Company approved "VDCPL Employee Stock Option Plan 2018 (ESOP 2018)" at the Extraordinary General Meeting held on May 03, 2018 and subsequently it was amended at the extraordinary general meeting held on March 25, 2021 and August 26, 2021 to grant a maximum of 1,625,000 options to specified categories of employees of the Company. Each option granted and vested under ESOP 2018 shall entitle the holder to acquire one equity share of face value of Rs. 1 each of the Company.

The Plan consists of six schemes with various vesting periods from the grant date subject to satisfaction of vesting conditions. The method of settlement under the Plan is by issue of equity shares of the Company and there are no cash settlement alternatives for the employees.

Vested options can be exercised over a period of ten years from the grant date. The Exercise Price is the fair value of the equity share as on the date of the grant or as decided by the Nomination and remuneration committee. The time and performance based options under Scheme 1, 2, 3, 4, 5 and 6 become vested as below:

The time and performance based options under Scheme 1 become eligible on an annual basis at 30%, 30%, 20% and 20% over a period of four years and vesting starts from second year. The time and performance based options under Scheme 2 become eligible on an annual basis at 25%, 25%, 25% and 25% over a period of four years and vesting starts from third year. The time based options under Scheme 3 become eligible on an annual basis at 25%, 25%, 25% and 25% over a period of four years and vesting starts from third year. The time based options under Scheme 4 become eligible on annual basis at 100% and vest on second year from the grant date. The time based options under Scheme 5 become eligible and vest on an annual basis at 25%, 25%, and 50% over a period of three years. The time based options under Scheme 6 become eligible on an annual basis at 0%, 25%, 50% and 25% over a period of four years and the performance based options under Scheme 6 become eligible on an annual basis at 25%, 25%, 25% and 25% over a period of four years. The fair value of equity share options is estimated at the date of grant using Black- Scholes model, taking into account the terms and conditions upon which the share options were granted. Based on the historical trends, 50% of stock options are expected to be vested and exercised, accordingly the total compensation cost recognised in the statement of profit and loss is Rs. 93.17 (March 31, 2023: 71.67).

### (A) Details of options granted under ESOP 2018 by the Board/Nomination and Remuneration committee are as below:

Grant	Grant date	Number of options granted	Number of options outstanding	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
1st Grant	May 10, 2018	463,750	-	220.00	222.10
2nd Grant	October 31, 2018	9,000	-	233.90	233.90
3rd Grant	April 01, 2019	75,780	-	236.90	236.90
4th Grant *	March 25, 2021	866,853	273,450	111.11	111.11
5th Grant	May 29, 2023	251,291	205,172	318.00	376.05

\* The options are post subdivision of equity shares and after impact of bonus issue (refer note 10(a)(v)).

### (B) The movement of stock options during the year (in No's) :

Particulars	No of stock options
As at April 01, 2022	759,956
Forfeited/lapsed during the year before bonus issue (refer note 10(a)(v))	(47,194)
Vested/exercisable during the year	301,694
Exercised during the year	(105,249)
As at March 31, 2023	607,513
Granted during the year	251,291
Vested/exercisable during the year	214,510
Forfeited/lapsed during the year	(105,664)
Exercised during the year	(274,518)
As at March 31, 2024	478,622

### (C) Disclosures as per IND AS 102 for outstanding options\*:

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average exercise price for outstanding options at year end (in Rs.)	199.81	111.11
Weighted average remaining contractual life for outstanding options at year end.	7.92 years	7.99 years
Range of exercise prices for outstanding options at year end (in Rs.)	111.11 to 318.00	111.11

\* The aforementioned disclosures are post subdivision of equity shares and the effect of bonus issue (refer note 10(a)(v)).

### (D) The key assumption used to estimate the fair value of stock option as on grant date:

Grant date	Dividend yield	Risk-free interest rate	Expected life of options granted in years	Expected volatility
May 10, 2018	0%	7.95%	5.5 Years to 7 Years	21.32%
October 31, 2018	0%	7.84%	5.5 Years to 7 Years	24.95%
April 01, 2019	0%	7.15%	5.5 Years to 7 Years	29.52%
March 25, 2021	0%	6.12%	5.5 Years to 7 Years	43.78%
May 29, 2023	0.26%	6.74% to 6.80%	1.5 Years to 4.5 Years	43.91%





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(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

### 30. Related parties

#### (a) Details of related parties

Description of relationship	Name of the related parties
Subsidiaries	Medinova Diagnostic Services Limited Doctors Lab Medical Services Private Limited (struck off w.e.f. 06 April 2024) P H Diagnostic Centre Private Limited (w.e.f. 21 December 2023) VDC Diagnostics (Karnataka) LLP
Step down subsidiaries	Namrata Diagnostic Centre Private Limited (struck off w.e.f. 06 April 2024) Medinova Millennium MRI Services LLP
Person exercising control	Dr. S Surendranath Reddy (Executive Chairman) (also a KMP)
Key Management Personnel (KMP)	Dr. S Surendranath Reddy (Executive Chairman) S Suprita Reddy (Managing Director & Chief Executive Officer) K Sunil Chandra (Executive Director) S Geetha Reddy (Director)
Independent Directors	Dr.D.Nageshwar Reddy Mr. S P Singh Mr. Satyanarayana Murthy Chavali Dr. Manjula Anagani
Enterprise where KMP has significance influence	Vijaya Hospitals Private Limited Summit Nutraceuticals Private Limited Kshetra Agritech Private Limited Trikona Pharmaceuticals Private Limited Trikona Holdings LLP Vijaya Holdings India LLP S Square Properties LLP Park Health Systems Private Limited Asian Institute of Gastroenterology Private Limited Asian Institute Of Nephrology And Urology (Vizag) Private Limited Asian Institute Of Nephrology And Urology Private Limited IFFCO Kisan SEZ Limited
Relative of KMP	B Vishnu Priya (Wife of K Sunil Chandra)
Controlled Trust	Vijaya Diagnostic Charitable Trust

#### (b) Details of transactions during the year #

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Rent paid</b>		
Dr. S Surendranath Reddy	470.31	457.94
K Sunil Chandra	107.53	107.96
S Suprita Reddy	102.61	101.18
S Geetha Reddy	424.27	418.81
B Vishnu Priya	1.91	1.91
Vijaya Hospitals Private Limited	120.82	120.82
<b>Reimbursement of expenses</b>		
VDC Diagnostics (Karnataka) LLP	-	0.05
Medinova Diagnostics Services Limited	-	0.13
P H Diagnostic Centre Private Limited	5.58	-
<b>Rental deposits given (refund), net</b>		
Dr. S Surendranath Reddy	-	(0.80)
K Sunil Chandra	-	(1.19)
S Geetha Reddy	-	(0.35)
<b>Purchase of consumables</b>		
Medinova Diagnostics Services Limited	-	0.07
<b>Sale of consumables</b>		
Medinova Diagnostics Services Limited	-	5.24
<b>Services availed</b>		
P H Diagnostic Centre Private Limited	0.17	-
<b>Purchase of Property, plant and equipment</b>		
Asian Institute of Gastroenterology Private Limited	-	18.29
P H Diagnostic Centre Private Limited	15.34	-
<b>Sale of Property, plant and equipment</b>		
Park Health Systems Private Limited	-	11.37
P H Diagnostic Centre Private Limited	35.40	-
<b>Sale of services</b>		
Medinova Diagnostic Services Limited	44.16	34.96
Park Health Systems Private Limited	76.49	68.33
Asian Institute Of Nephrology And Urology (Vizag) Private Limited	0.17	-
Asian Institute Of Nephrology And Urology Private Limited	0.92	-





Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

30. Related parties (continued)

(b) Details of transactions during the year (continued)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Loans given</b>		
P H Diagnostic Centre Private Limited	786.00	-
<b>Investment in Subsidiary</b>		
P H Diagnostic Centre Private Limited	499.00	0.00
<b>Loans recovered</b>		
Medinova Diagnostic Services Limited	75.00	-
Doctors Lab Medical Services Private Limited	-	95.63
<b>Loans Written-off</b>		
Doctors Lab Medical Services Private Limited	-	9.34
<b>Investment redeemed</b>		
Doctors Lab Medical Services Private Limited	0.84	-
<b>Investment written off</b>		
Doctors Lab Medical Services Private Limited	0.16	-
<b>Interest income</b>		
Medinova Diagnostic Services Limited	57.40	57.50
P H Diagnostic Centre Private Limited	17.35	-
<b>Rental Income</b>		
Medinova Diagnostic Services Limited	43.54	42.48
<b>Remuneration to KMP</b>		
Dr. S Surendranath Reddy	200.00	200.00
K Sunil Chandra	100.00	100.00
S Suprita Reddy	275.00	275.00
<b>Remuneration paid to Independent Directors</b>		
Dr. D. Nageshwar Reddy	12.00	12.00
Mr. S P Singh	12.00	12.00
Mr. Satyanarayana Murtly Chavali	12.00	12.00
Dr. Manjula Anagani	12.00	12.00

(c) Amounts due (to)/ from related parties

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Rent payable</b>		
Dr. S Surendranath Reddy	36.10	-
S Suprita Reddy	7.89	-
K Sunil Chandra	8.30	-
Vijaya Hospitals Private Limited	9.22	-
S Geetha Reddy	32.56	-
B Vishnu Priva	0.16	-
<b>Rental deposits</b>		
Vijaya Hospitals Private Limited	34.95	34.95
Dr. S Surendranath Reddy	113.35	113.35
S Suprita Reddy	38.15	38.15
K Sunil Chandra	31.81	31.81
S Geetha Reddy	129.82	129.82
B Vishnu Priva	0.72	0.72
<b>Trade receivables</b>		
Medinova Diagnostic Services Limited	7.07	3.30
Park Health Systems Private Limited	7.49	7.05
Asian Institute of Nephrology and Urology (Vizag) Private Limited	0.08	-
Asian Institute of Nephrology and Urology Private Limited	0.25	-
<b>Trade payable</b>		
P H Diagnostic Centre Private Limited	0.17	-
<b>Loans outstanding</b>		
Medinova Diagnostic Services Limited	500.00	375.00
P H Diagnostic Centre Private Limited	786.00	-
<b>Interest receivable</b>		
Medinova Diagnostic Services Limited	12.67	12.76
P H Diagnostic Centre Private Limited	15.62	-
<b>Other receivables</b>		
P H Diagnostic Centre Private Limited	19.50	-
Medinova Diagnostic Services Limited	-	16.00
<b>Remuneration payable to Independent Directors</b>		
Dr. D. Nageshwar Reddy	-	2.70
Mr. S P Singh	-	2.70
Mr. Satyanarayana Murtly Chavali	-	2.70
Dr. Manjula Anagani	-	2.70

Note:

(i) All transactions with these related parties are at arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash. Some of the balances are secured. (All the amounts of transactions and balances disclosed in this note are gross and undiscounted.)

(ii) Amounts paid as dividends to promoters and their relatives in the capacity of shareholders are not considered as related party transactions.



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**Vijaya Diagnostic Centre Limited**  
**Notes to the Standalone Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**31. Ratio Analysis**

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance (in %)	Reason for variance
Current Ratio (in times)	Current assets	Current liabilities	2.97	4.17	(29%)	Refer Note (i)
Debt-Equity Ratio (in times)	Total debt	Total equity	-	-	-	-
Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt service	-	-	-	-
Return on Equity Ratio (in %)	Net Profit after taxes	Average shareholder's equity	19.13%	16.40%	17%	17%
Inventory Turnover Ratio (in times)	Cost of goods sold	Average inventory	19.85	19.11	4%	4%
Trade Receivables Turnover Ratio (in times)	Net credit sales	Average trade receivables	2.90	2.63	10%	10%
Trade Payables Turnover Ratio (in times)	Net credit purchases	Average trade payables	7.92	8.07	(2%)	(2%)
Net Capital Turnover Ratio (in times)	Revenue	Working capital	4.03	2.19	84%	Refer Note (ii)
Net Profit Ratio (in %)	Net Profit	Revenue	21.83%	18.51%	18%	18%
Return on Capital Employed (in %) (Pre cash)	Earnings before interest and taxes	Capital employed	23.82%	21.66%	10%	10%
Return on Investment (in %)						

Not Applicable

**Reasons for variance of more than 25%**

- (i) There is a decrease in the current ratio primarily due to decrease in the fixed deposits held with the bank and investments made in mutual funds
- (ii) The increase in the Net Capital Turnover ratio is primarily due to decrease in the working capital held by the Company due to decrease in fixed deposits and investments made in mutual funds

**Definitions:**

- (a) Earnings available for debt service = Profit for the year + Non-cash operating expenses such as depreciation and amortisation + Interest + other adjustments like loss on sale of fixed assets etc.
- (b) Debt service = Interest + Lease Payments + Principal Repayments
- (c) Average inventory = (Opening inventory balance + Closing inventory balance) / 2
- (d) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
- (e) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2
- (f) Working Capital = Current assets - Current liabilities
- (g) Earnings before interest and taxes = Profit before tax + Finance costs - Other income
- (h) Capital Employed = Total assets - Total liabilities - Intangible assets + Deferred tax liabilities



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

### 32. Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on equity so as to provide returns to shareholders, benefits to other stakeholders, creditors and to sustain future development and growth of the business. In order to maintain the capital structure, the Company monitors the return on capital as well as debt to total equity ratio. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of debt to total equity, debt includes its long-term and short-term borrowings. Total equity comprises of issued share capital and all other equity reserves.

#### Gearing ratio:

Particulars	March 31, 2024	March 31, 2023
Total debt	-	-
Total equity	65,332.11	54,508.80
Debt equity ratio	-	-

The Company's bank balances as at March 31, 2024 is Rs. 6,335.54 (March 31, 2023: Rs 11,142.56) and debt outstanding is Rs Nil (March 31, 2023: Rs. Nil).

### 33. Financial instruments

#### A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

Particulars	Note	March 31, 2024		March 31, 2023		Fair value level
		Amortised cost	Fair value	Amortised cost	Fair value	
<b>Financial assets</b>						
Investments (other than in subsidiary companies and LLP)						
- in mutual funds - FVTPL	6 (a)	-	10,912.98	-	12,907.12	Level 1
- in equity instruments - FVOCI	6 (a)	-	4.00	-	4.00	Level 3
- in bonds - FVTPL	6 (a)	-	-	-	992.20	Level 1
Trade receivables	6 (b)	1,283.95	-	885.13	-	
Loans	6 (c)	1,286.00	-	575.00	-	
Cash and cash equivalents	6 (d)	1,556.38	-	2,328.97	-	
Other bank balances	6 (e)	4,644.91	-	8,813.59	-	
Other financial assets	6 (f)	1,277.96	-	1,204.14	-	
<b>Total financial assets</b>		<b>10,049.20</b>	<b>10,916.98</b>	<b>13,806.83</b>	<b>13,903.32</b>	
<b>Financial liabilities</b>						
Lease liabilities	4(c)	25,019.13	-	24,755.90	-	
Trade payables	11 (a)	3,060.96	-	2,719.24	-	
Other financial liabilities	11 (b)	1,057.20	-	1,369.72	-	
<b>Total financial liabilities</b>		<b>29,137.29</b>	<b>-</b>	<b>28,844.86</b>	<b>-</b>	

The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, borrowings, trade payables and other financial liabilities approximate their carrying amount largely due to short-term nature of these instruments. Investments in mutual funds, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Investment in subsidiaries have been accounted at historical cost. Since, these are scoped out of Ind AS 109 for the purpose of measurement, the same are not disclosed in the table above.

#### B. Measurement of fair values

##### i. Valuation techniques and significant unobservable inputs

Investment in equity instruments: The fair value of investment in equity instruments approximate to its carrying value. Hence, no fair value gain/ (loss) accounted in OCI.

Name of financial asset	Valuation technique	Significant unobservable inputs
Investment in unquoted equity shares	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow to the Company arising from the investments in financial assets.	Long term growth rate, discount rate, revenue multiple

##### ii. Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in the current year and no transfers in either direction in previous year.

##### iii. Level 3 fair values

Particulars	FVOCI equity securities	
	March 31, 2024	March 31, 2023
Balance as at the beginning of the year	4.00	4.00
Investment made	-	-
Net change in fair value (unrealised)	-	-
<b>Balance as at the end of the year</b>	<b>4.00</b>	<b>4.00</b>



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

### 33. Financial Instruments (continued)

#### C. Financial risk management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits, bank deposits and loans.	Ageing analysis, Credit score of customers/entities.	Monitoring the credit limits of customers and obtaining security deposits.

The Company's risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

#### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans.

The Company has no significant concentration of credit risk with any counterparty.

#### Trade receivables and loans:

Customer credit risk is managed by the respective department subject to Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Company. Outstanding customer receivables are regularly monitored. All the trade receivables are non interest bearing.

#### Expected credit loss (ECL) assessment for individual customers:

As per simplified approach, the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date.

Trade receivables	As at March 31, 2024				As at March 31, 2023				Credit impaired?
	ECL Rate	Gross amount	ECL amount	Net amount	ECL Rate	Gross amount	ECL amount	Net amount	
below 90 days past due	0.63%	607.64	3.84	603.80	3.26%	621.94	20.29	601.65	No
91 to 180 days past due	1.93%	269.93	5.22	264.71	7.27%	233.84	17.00	216.84	No
181 to 270 days past due	3.97%	299.14	11.89	287.25	11.39%	41.72	4.75	36.97	No
271 to 360 days past due	7.99%	87.48	6.99	80.49	20.65%	17.82	3.68	14.14	No
361 to 450 days past due	13.49%	26.99	3.64	23.35	39.78%	12.92	5.14	7.78	No
451 to 540 days past due	16.07%	6.10	0.98	5.12	63.12%	11.01	6.95	4.06	No
541 to 630 days past due	20.75%	16.82	3.49	13.33	75.69%	11.56	8.75	2.81	No
631 to 720 days past due	25.13%	7.88	1.98	5.90	89.74%	8.58	7.70	0.88	No
above 720 days past due	100.00%	163.52	163.52	-	100.00%	97.29	97.29	-	Yes
<b>Total</b>		<b>1,485.50</b>	<b>201.55</b>	<b>1,283.95</b>		<b>1,056.68</b>	<b>171.55</b>	<b>885.13</b>	

The ageing analysis of the receivables has been considered from the date the invoice falls due.

Particulars	< 180 days	> 180 days	Provision	Total
March 31, 2024	902.60	582.90	(201.55)	1,283.95
March 31, 2023	855.77	200.91	(171.55)	885.13

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

#### The movement in the allowance for impairment in respect of trade receivables is as follows:

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	171.55	151.55
Add: Allowance measured at lifetime expected credit loss	50.00	20.00
Less: Amounts written off	-	-
<b>Balance at the end of the year</b>	<b>201.55</b>	<b>171.55</b>

The Company has an exposure of Rs. 786.00 as at March 31, 2024 (March 31, 2023: Rs. 575.00) for loans given to subsidiaries. Such loans are classified as financial asset measured at amortised cost. The Company did not have any amounts that were past due but not impaired at March 31, 2024 or March 31, 2023. The Company has no collateral in respect of these loans.

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by credit rating agencies. Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in subsidiaries and mutual funds.



Vijaya Diagnostic Centre Limited  
Notes to the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

### 33. Financial instruments (continued)

#### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The finance team monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash outflows on trade payables and other financial liabilities and any excess/short liquidity is managed in the form of current borrowings, bank deposits and investment in mutual funds as per the approved framework.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2024	Carrying amount	Total	Contractual cash flows				
			6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Lease liabilities	25,019.13	38,282.42	1,885.05	1,927.24	3,733.60	9,285.31	23,336.26
Trade payables	3,060.96	3,060.96	3,060.96	-	-	-	-
Capital creditors	305.07	305.07	305.07	-	-	-	-
Other financial liabilities	752.13	752.13	752.13	-	-	-	-
	29,137.29	42,400.58	6,003.21	1,927.24	3,733.60	9,285.31	23,336.26

March 31, 2023	Carrying amount	Total	Contractual cash flows				
			6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Lease liabilities	24,755.90	38,654.35	1,747.11	1,754.69	3,641.09	9,235.27	24,023.30
Trade payables	2,719.24	2,719.24	2,719.24	-	-	-	-
Capital creditors	768.36	768.36	768.36	-	-	-	-
Other financial liabilities	601.36	601.36	601.36	-	-	-	-
	28,844.87	42,743.31	5,836.07	1,754.69	3,641.09	9,235.27	24,023.30

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly.

#### iii. Market risk

Market risk is the risk that results from changes in market prices - such as foreign exchange rates, interest rates and others - will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### 34. Additional regulatory information pursuant to the requirement in division II of schedule III to the Companies Act 2013

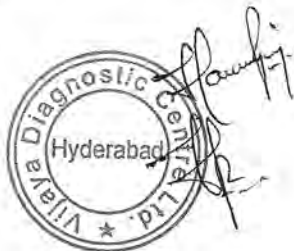
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
  - The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.
  - The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
  - The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
  - The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - 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
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - The Company has not entered into any 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).
  - The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
  - The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
35. The Company has received a letter dated July 3, 2021, March 14, 2022 and September 16, 2022 under section 37 of the Foreign Exchange Management Act, 1999 read with section 133(6) of the Income Tax Act, 1961 from the Directorate of Enforcement, Government of India ("ED") requesting certain information for the purpose of their investigation. The Company has responded to the ED letter by letter dated August 5, 2021, March 21, 2022 and September 29, 2022 by providing the information requested for. The letter has only sought certain information, which has been complied with, and it is not a show cause notice or demand letter at this stage, and there is no impact to the financial statements.
36. Subsequent events
- The wholly owned subsidiaries of the Group namely Doctorslab Medical Services Private Limited and Namrata Diagnostic Centre Private Limited, based on the application filed by the respective companies have been struck off by the Registrar of Companies (ROC) as on April 06, 2024, since there were no operations in these companies. There is no impact on account of this in the financial statements.
  - Subsequent to March 31, 2024, the Board of Directors of the Company at its meeting held on 08 May 2024 has recommended a final dividend of Re. 1/- per equity share which is subject to approval at the ensuing Annual General Meeting of the Company and hence was not recognised as a liability.

As per our report of even date attached.  
For B S R and Co  
Chartered Accountants  
ICAI Firm registration number: 128510W

AMIT KUMAR BAJAJ  
Digitally signed by  
AMIT KUMAR BAJAJ  
Date: 2024.05.08  
23:17:36 +05'30'

Amit Kumar Bajaj  
Partner  
Membership Number: 218085

Place: Hyderabad  
Date: May 08, 2024



For and on behalf of the Board of Directors of  
Vijaya Diagnostic Centre Limited  
CIN: L85199TG2002PLC039075

SURA  
Digitally signed by  
SURA  
SURENDRANATH  
NATH  
REDDY  
Date: 2024.05.08  
22:13:23 +05'30'

Dr. S. Surendranath Reddy  
Executive Chairman  
DIN : 00108599

SUNIL  
Digitally signed by  
SUNIL  
CHANDRA  
KONDAPALLY  
Date: 2024.05.08  
22:24:43 +05'30'

K. Sunil Chandra  
Executive Director  
DIN : 01409332

Place: Hyderabad  
Date: May 08, 2024



SUPRITA  
Digitally signed by  
SUPRITA  
SURA REDDY  
Date: 2024.05.08  
22:13:23 +05'30'

S. Suprita Reddy  
Managing Director  
DIN: 00263618

Nuraimiya Raju K.A.  
Chief Financial Officer

HANSRAJ  
Digitally signed by  
HANSRAJ SINGH  
Date: 2024.05.08  
22:24:43 +05'30'

Hansraj Singh Rajput  
Company Secretary  
Membership No.F11438

**B S R and Co**  
Chartered Accountants

Salarpuria Knowledge City, Orwell  
B Wing, 6th Floor, Unit-3, Sy No. 83/1  
Plot No. 02, Raidurg  
Hyderabad – 500 081, India  
Telephone + 91 407 182 2000  
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## Independent Auditor's Report

**To the Members of Vijaya Diagnostic Centre Limited**

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

### Opinion

We have audited the consolidated financial statements of Vijaya Diagnostic Centre Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Revenue recognition

Refer note 3A of the summary of the material accounting policies and note 14 to the consolidated financial statements

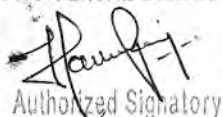
The key audit matter	How the matter was addressed in our audit
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Principal Office:

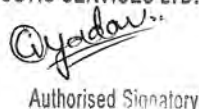
14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center,  
Western Express Highway, Goregaon (East), Mumbai - 400063

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For VIJAYA DIAGNOSTIC CENTRE LIMITED

  
Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.

  
Authorised Signatory



B S R and Co

## Independent Auditor's Report (Continued)

## Vijaya Diagnostic Centre Limited

<p>Revenue from diagnostics services is recognised at a point in time when the tests are conducted and samples are processed.</p> <p>The Group's revenue relates to sales through large number of diagnostic centres with high volume of sales that are made primarily on cash and carry basis which increases the risk of revenue being recognised inappropriately and which highlights the criticality of sound internal processes of summarising and recording sales revenue to mitigate error and fraud risk.</p> <p>In view of the above, we identified revenue recognition as a key audit matter</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. We obtained an understanding of the systems, processes and controls implemented by the Company. We evaluated the design and implementation and the operating effectiveness of key internal financial controls with respect to revenue recognition including those related to the reconciliation of sales to cash / credit card receipts.</li> <li>2. We tested the reconciliation of revenue generated through cash / credit card and the amount deposited into the bank statements.</li> <li>3. We performed substantive testing on samples selected using statistical sampling of revenue transactions recorded during the year by testing the underlying documents to assess whether criteria for revenue recognitions are met. Further, we have verified the accuracy of the sales price by comparing the rates with the approved price list and discount policy.</li> <li>4. We tested the periodic reconciliation of revenue as per the billing system to the revenue recorded as per the accounting records. Further, we tested the reconciliation of revenue recognised with statutory filings (Goods and Services Tax returns).</li> <li>5. We tested sample journal entries affecting revenue recognised during the year selected based on specified risk-based criteria, to identify unusual items.</li> <li>6. We carried out analytical procedures on revenue recognised during the year to identify unusual variances.</li> <li>7. We assessed the adequacy of disclosures in respect of revenue in the standalone financial statements.</li> </ol>
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## Business Combination

See Note 30 to consolidated financial statements

The key audit matter

How the matter was addressed in our audit





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B S R and Co

## Independent Auditor's Report (Continued)

## Vijaya Diagnostic Centre Limited

On 21 December 2023, the Holding Company acquired 100% equity stake in P H Diagnostic Centre Private Limited, an unlisted private company pursuant to the Share Purchase Agreement ("SPA").

The Group determined the acquisition to be within the scope of Ind AS 103 'Business Combination'. Ind AS 103 requires identified assets and liabilities be recognised at fair value at the date of acquisition, with the excess of the acquisition cost over identified fair value of assets and liabilities as goodwill.

The Group determined the fair values of the net identifiable assets acquired was Rs. 3,363.26 lakhs.

The Group appointed independent professional valuer to determine the fair values of the identified assets acquired and liabilities assumed which resulted in recognition of Goodwill of Rs. 11,386.74 lakhs.

Significant assumptions and estimates are used as of the date of acquisition in the determination of the fair values of the identified assets acquired and liabilities assumed in the transaction. Significant judgements were made in respect of the future projections and the discount rate used in assessing the carrying value of the net assets acquired. Accordingly, this is considered to be key audit matter.

In view of the significance of the matter, we applied the following audit procedures in this area:

1. Assessed and tested the effectiveness of internal controls relating to identification of assets acquired and liabilities assumed and determination of respective fair values as of acquisition date.
2. Obtained understanding of the valuation methodologies used by the Group and external valuation expert in the fair valuation of acquired assets and liabilities;
3. Read the Share Purchase agreement pertaining to acquisition of P H Diagnostic Centre Private Limited with a view to identify specific clauses impacting the determination and recognition of the purchase price;
4. Evaluated the competence, capabilities and relevant experience of the experts engaged by the Company to determine fair valuation of the assets and liabilities acquired;
5. Traced the value of the consideration transferred with reference to the Share Purchase Agreement;
6. Involved our internal valuation experts to challenge the methodology and key assumptions used in determination of fair values of the identified assets acquired and liabilities assumed;
7. Assessed adequacy of the disclosures made in the Consolidated Ind AS financial statements with the relevant accounting standards.

## Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's reports thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.



B S R and Co

## Independent Auditor's Report (Continued)

Vijaya Diagnostic Centre Limited

**Management's and Board of Directors'/Designated Partners' Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/ Designated Partners of the Limited Liability Partnership (LLPs) included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/LLP and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/ Designated Partners of the LLPs included in the Group are responsible for assessing the ability of each company/LLP to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Designated Partners either intends to liquidate the Company/LLP or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/ Designated Partners of the LLPs included in the Group are responsible for overseeing the financial reporting process of each company/LLP.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern

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## Independent Auditor's Report (Continued)

## Vijaya Diagnostic Centre Limited

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## Other Matters

- We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 1,300.13 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 1,026.71 lakhs and net cash flows (before consolidation adjustments) amounting to Rs. 113.58 lakhs for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

## Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central

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## Independent Auditor's Report (Continued)

## Vijaya Diagnostic Centre Limited

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 and on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the 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 and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 22 to the consolidated financial statements.
- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.
- d (i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 34 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind

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B S R and Co

## Independent Auditor's Report (Continued)

## Vijaya Diagnostic Centre Limited

of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 34 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 36 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks and such procedures performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary companies, have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of such subsidiary companies did not come across any instance of audit trail feature being tampered with.

Nature of exception	Details of exception
Instances of accounting software for maintaining its books of account which did not have a feature of recording audit trail (edit log) facility and the same was not operated throughout the year for all relevant transactions recorded in the software	<p>(a) In respect of Holding company:</p> <p>(i) The feature of recording audit trail (edit log) facility was enabled but did not provide audit evidence of direct database level changes throughout the year relating to the accounting software used for financial reporting.</p> <p>(ii) In the absence of independent auditor's report in relation to controls at service organisation for accounting software used for maintaining the books of account relating to</p>

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B S R and Co

## Independent Auditor's Report (Continued)

## Vijaya Diagnostic Centre Limited

	<p>payroll process, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.</p> <p>(b) In respect of one subsidiary, the company has used an accounting software only from 01 March 2024 for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated from 01 March 2024 till end of the year for relevant transactions recorded in the software from the said date only.</p>
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## C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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

For B S R and Co

Chartered Accountants

Firm's Registration No.: 128510W

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Amit Kumar Bajaj

Partner

Place: Hyderabad

Date: 08 May 2024

Membership No.: 218685

ICAI UDIN: 24218685BKGPOM3678



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B S R and Co

**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Vijaya Diagnostic Centre Limited for the year ended 31 March 2024**

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

- (xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

**For B S R and Co**

*Chartered Accountants*

Firm's Registration No.: 128510W

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Date: 2024.05.08

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**Amit Kumar Bajaj**

*Partner*

Place: Hyderabad

Membership No.: 218685

Date: 08 May 2024

ICAI UDIN: 24218685BKGPO3678





B S R and Co

**Annexure B to the Independent Auditor's Report on the consolidated financial statements of Vijaya Diagnostic Centre Limited for the year ended 31 March 2024**

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

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

**Opinion**

In conjunction with our audit of the consolidated financial statements of Vijaya Diagnostic Centre Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, 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 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph



B S R and Co

**Annexure B to the Independent Auditor's Report on the consolidated financial statements of Vijaya Diagnostic Centre Limited for the year ended 31 March 2024 (Continued)**

below, is sufficient and appropriate to provide a basis for our audit opinion on the 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.

**Other Matter(s)**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

**For B S R and Co**

*Chartered Accountants*

Firm's Registration No.: 128510W

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**Amit Kumar Bajaj**

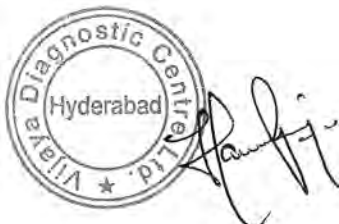
*Partner*

Place: Hyderabad

Date: 08 May 2024

Membership No.: 218685

ICAI UDIN: 24218685BKGPOM3678



Vijaya Diagnostic Centre Limited  
Consolidated Balance Sheet as at March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	4 (a)	37,862.14	29,403.95
(b) Capital work-in-progress	4 (b)	820.63	2,710.61
(c) Right-of-use assets	4 (c)	22,354.94	22,233.92
(d) Goodwill	5	11,920.49	533.75
(e) Other intangible assets	5	2,069.70	219.63
(f) Intangible assets under development	5	48.67	63.06
(g) Financial assets			
(i) Investments	6 (a)	4.00	4.00
(ii) Other financial assets	6 (e)	1,129.95	899.92
(h) Deferred tax assets, (net)	7	291.85	824.91
(i) Other tax assets, (net)	21 (d)	21.38	19.31
(j) Other non-current assets	9	618.73	861.51
<b>Total non-current assets</b>		<b>77,142.48</b>	<b>57,774.57</b>
<b>II Current assets</b>			
(a) Inventories	8	518.27	204.86
(b) Financial assets			
(i) Investments	6 (a)	10,912.98	13,899.32
(ii) Trade receivables	6 (b)	1,623.97	948.87
(iii) Cash and cash equivalents	6 (c)	2,224.77	2,417.69
(iv) Bank balances other than (iii) above	6 (d)	5,082.99	9,224.54
(v) Other financial assets	6 (e)	312.42	362.04
(c) Other current assets	9	457.39	508.80
<b>Total current assets</b>		<b>21,132.79</b>	<b>27,566.12</b>
<b>TOTAL ASSETS (I + II)</b>		<b>98,275.27</b>	<b>85,340.69</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	10 (a)	1,023.46	1,020.71
(b) Other equity	10 (b)	64,695.88	53,452.23
<b>Equity attributable to owners of the Company</b>		<b>65,719.34</b>	<b>54,472.94</b>
Non-controlling interest		271.78	190.14
<b>Total equity</b>		<b>65,991.12</b>	<b>54,663.08</b>
<b>Liabilities</b>			
<b>II Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	4 (c)	23,905.21	23,303.01
(b) Provisions	12	1,058.18	711.66
(c) Other non-current liabilities	13	34.17	46.07
<b>Total non-current liabilities</b>		<b>24,997.56</b>	<b>24,060.74</b>
<b>III Current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	4 (c)	2,013.02	1,452.89
(ii) Trade payables	11 (a)		
- Total outstanding dues of micro enterprises and small enterprises, and		60.45	51.84
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,234.52	2,719.64
(iii) Other financial liabilities	11 (b)	1,139.85	1,398.87
(b) Other current liabilities	13	402.43	357.71
(c) Provisions	12	315.62	395.02
(d) Current tax liabilities, (net)	21 (d)	120.70	240.90
<b>Total current liabilities</b>		<b>7,286.59</b>	<b>6,616.87</b>
<b>Total liabilities (II + III)</b>		<b>32,284.15</b>	<b>30,677.61</b>
<b>TOTAL EQUITY AND LIABILITIES (I + II + III)</b>		<b>98,275.27</b>	<b>85,340.69</b>

Corporate information 1  
Basis of preparation and measurement and Summary of material accounting policies 2 & 3  
The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached  
For **B S R and Co**  
Chartered Accountants  
ICAI Firm registration number: 128510W

**AMIT KUMAR**  
BAJAJ  
Date: 2024.05.08 21:06:26  
+05'30'

**Amit Kumar Bajaj**  
Partner  
Membership Number: 218685

For and on behalf of the Board of Directors of  
**Vijaya Diagnostic Centre Limited**  
CIN: L85195TG2002PLC039075

**SURA**  
SURENDRANATH  
REDDY  
ATH REDDY  
Date: 2024.05.08  
22:14:45 +05'30'

**Dr. S. Surendranath Reddy**  
Executive Chairman  
DIN: 00108599

**SUNIL**  
CHANDRA  
KONDAPALLY  
Date: 2024.05.08  
22:26:14 +05'30'

**K. Sunil Chandra**  
Executive Director  
DIN: 01409332

**SUPRITA**  
SURA  
REDDY  
Date: 2024.05.08  
22:15:07 +05'30'

**S. Suprita Reddy**  
Managing Director  
DIN: 00263618

**Kolukuri**  
Appala  
Narasimh  
a Raja  
Date: 2024.05.08  
22:26:45 +05'30'

**Narasimha Raju K.A**  
Chief Financial Officer


**HANSRAJ SINGH**  
Date: 2024.05.08  
22:26:45 +05'30'

**Hansraj Singh Rajput**  
Company Secretary  
Membership No.F11438

Place: Hyderabad  
Date: May 08, 2024

Place: Hyderabad  
Date: May 08, 2024

For VIJAYA DIAGNOSTIC CENTRE LIMITED  
  
Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.  
  
Authorized Signatory

Vijaya Diagnostic Centre Limited  
Consolidated Statement of Profit and Loss for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I Income</b>			
(a) Revenue from operations	14	54,780.53	45,922.27
(b) Other income	15	2,081.80	1,415.07
<b>Total income</b>		<b>56,862.33</b>	<b>47,337.34</b>
<b>II Expenses</b>			
(a) Cost of materials consumed	16	6,543.84	5,888.16
(b) Employee benefits expense	17	9,021.86	7,847.74
(c) Finance costs	19	2,398.98	2,094.79
(d) Depreciation and amortisation expense	18	5,699.62	6,172.01
(e) Other expenses	20	17,124.94	13,983.64
<b>Total expenses</b>		<b>40,789.24</b>	<b>35,986.34</b>
<b>III Profit before exceptional items and tax [I - II]</b>		<b>16,073.09</b>	<b>11,351.00</b>
<b>IV Exceptional items</b>	20	<b>205.00</b>	<b>-</b>
<b>V Profit Before Tax (PBT) [III - IV]</b>		<b>15,868.09</b>	<b>11,351.00</b>
<b>VI Tax expense</b>	21		
(a) Current tax		3,319.95	2,776.18
(b) Deferred tax		584.43	54.12
<b>Tax expenses</b>		<b>3,904.38</b>	<b>2,830.30</b>
<b>VII Profit for the year [V-VI]</b>		<b>11,963.71</b>	<b>8,520.70</b>
<b>VIII Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit liability / (asset)		(14.99)	26.94
(ii) Income tax relating to items that will not be reclassified to profit or loss	21	3.77	(6.78)
<b>Other comprehensive income for the year, net of tax</b>		<b>(11.22)</b>	<b>20.16</b>
<b>IX Total comprehensive income for the year [VII+VIII]</b>		<b>11,952.49</b>	<b>8,540.86</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		11,882.53	8,463.16
Non controlling interests		81.18	57.54
<b>Other comprehensive income for the year attributable to:</b>			
Owners of the Company		(11.68)	19.87
Non controlling interests		0.46	0.29
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		11,870.85	8,483.03
Non controlling interests		81.64	57.83
<b>Earnings per equity share (face value of Re. 1 each fully paid up)</b>	23		
- Basic (in Rs.)		11.62	8.29
- Diluted (in Rs.)		11.59	8.20

Corporate information 1  
Basis of preparation and measurement and Summary of material accounting policies 2 & 3  
The notes referred to above form an integral part of the consolidated financial statements.

For B S R and Co

Chartered Accountants

ICAI Firm registration number: 128510W

AMIT KUMAR Digitally signed by  
AMIT KUMAR BAJAJ  
Date: 2024.05.08  
23:07:06 +05'30'

Amit Kumar Bajaj

Partner

Membership Number: 218685

For and on behalf of the Board of Directors

Vijaya Diagnostic Centre Limited

CIN: L85195TG2002PLC039075

SURA Digitally signed by  
SURA SUREDRANATH  
REDDY  
Date: 2024.05.08  
22:15:35 +05'30'

Dr. S. Surendranath Reddy

Executive Chairman

DIN: 00108599

SUNIL Digitally signed by SUNIL  
CHANDRA KONDAPALLY  
Date: 2024.05.08  
22:27:28 +05'30'

K. Sunil Chandra

Executive Director

DIN: 01409332

SUPRITA Digitally signed by  
SUPRITA  
SURA REDDY  
REDDY  
Date: 2024.05.08  
22:15:49 +05'30'

S. Suprita Reddy

Managing Director

DIN: 00263618

Kishor Kumar Digitally signed by  
Appala  
Narasimha  
Raju  
Date: 2024.05.08  
22:27:28 +05'30'

Narasimha Raju K.A.

Chief Financial Officer

HANSRA Digitally signed by  
HANSRAJ  
J SINGH  
Date: 2024.05.08  
22:27:52 +05'30'

Hansraj Singh Rajput

Company Secretary

Membership No. F11438

Place: Hyderabad  
Date: May 08, 2024

Place: Hyderabad  
Date: May 08, 2024

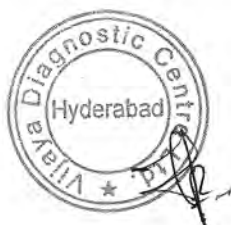


Vijaya Diagnostic Centre Limited  
Consolidated Statement of Cash Flows for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	15,868.09	11,351.00
Adjustments for:		
Depreciation and amortisation expense	5,699.62	6,172.01
Net gain on sale/ retirement of property, plant and equipment	(195.15)	(8.60)
Interest income under the effective interest method	(597.31)	(828.00)
Profit on sale of mutual fund investments (net)	(1,566.26)	(86.49)
Loss allowance for trade receivables	48.00	23.28
Provision for doubtful advances	-	20.00
Fair value gain on investments measured at FVTPL	318.70	(385.44)
Liabilities no longer required, written back	(5.53)	(90.00)
Equity-settled share-based payment transactions (ESOP)	93.17	71.67
Finance costs	2,196.24	1,942.46
<b>Operating profit before working capital changes</b>	<b>21,859.57</b>	<b>18,181.89</b>
Working capital adjustments:		
Decrease / (Increase) in inventories	(230.42)	222.82
Decrease / (Increase) in trade receivables	(456.69)	4.94
Decrease in other financial assets	140.45	261.82
(Increase) in other assets	(187.58)	(205.03)
Increase in trade payables	334.49	697.60
Increase in provisions and other liabilities	111.09	101.52
Increase / (Decrease) in other financial liabilities	149.29	(182.07)
<b>Cash from operating activities</b>	<b>21,720.20</b>	<b>19,083.49</b>
Income tax paid, net	(3,390.11)	(2,622.32)
<b>Net cash from operating activities</b>	<b>18,330.09</b>	<b>16,461.17</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment, Capital work-in-progress (CWIP), Other Intangible assets and Intangible assets under development (including capital advances and capital creditors)	(8,796.39)	(12,484.26)
Proceeds from sale of property, plant and equipment	333.08	25.42
Acquisition of subsidiary (refer note 30)	(14,750.00)	-
Redeemed / Investment made in liquid mutual funds/bonds, net	4,233.90	(8,003.84)
Deposits redeemed having original maturity of more than 3 months, (net)	4,012.95	8,868.52
Interest received	735.73	636.92
<b>Net cash used in investing activities</b>	<b>(14,230.73)</b>	<b>(10,957.24)</b>
<b>C. Cash flows from financing activities</b>		
Repayments of short-term borrowings, net	-	(63.46)
Proceeds from the exercise of employee stock option	305.05	115.90
Dividend paid on equity shares	(1,022.67)	(1,021.11)
Payment of lease liabilities	(3,737.33)	(3,221.17)
Interest paid	-	(1.39)
<b>Net cash used in financing activities</b>	<b>(4,454.95)</b>	<b>(4,191.23)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(355.59)</b>	<b>1,312.70</b>
Cash and cash equivalents at the beginning of the year	2,417.69	1,104.99
Cash acquired on account of business combination (refer Note 30)	162.67	-
<b>Cash and cash equivalents at end of the year</b>	<b>2,224.77</b>	<b>2,417.69</b>

**Note:**

- (a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flows.





Vijaya Diagnostic Centre Limited  
Consolidated Statement of Cash Flows for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Cash and cash equivalents as per above comprise of the following:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	90.97	56.05
Balances with banks		
- in current accounts	928.25	1,159.67
- unpaid dividend accounts	0.71	0.47
- in deposit accounts having maturity less than three months	1,204.84	1,201.50
<b>Total cash and cash equivalents (refer note 6(c))</b>	<b>2,224.77</b>	<b>2,417.69</b>

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Movement in financial liabilities:</b>		
<b>Opening balance</b>		
Current borrowings	-	63.46
Lease liabilities	24,755.90	18,282.80
<b>Movement</b>		
Cash flows	(3,737.33)	(3,286.02)
Interest expense	2,136.15	1,891.05
Other non-cash movements		
- Additions / Disposals to lease liabilities (net)	1,764.27	7,804.61
<b>Closing balance</b>		
Current borrowings	-	-
Lease liabilities	25,918.23	24,755.90

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R and Co**

Chartered Accountants

ICAI Firm registration number: 128510W

**AMIT KUMAR BAJAJ**  
Digitally signed by  
AMIT KUMAR BAJAJ  
Date: 2024.05.08  
23:07:47 +05'30'

**Amit Kumar Bajaj**  
Partner

Membership Number: 218685

For and on behalf of the Board of Directors

**Vijaya Diagnostic Centre Limited**

CIN: L85195TG2002PLC039075

**SURA SURENDRANATH REDDY**  
Digitally signed by  
SURA SURENDRANATH  
REDDY  
Date: 2024.05.08  
22:16:39 +05'30'

**Dr. S Surendranath Reddy**  
Executive Chairman

DIN: 00108599

**SUNIL CHANDRA KONDAPALLY**  
Digitally signed by  
SUNIL CHANDRA  
KONDAPALLY  
Date: 2024.05.08  
22:28:51 +05'30'

**K. Sunil Chandra**  
Executive Director

DIN: 01409332

**SUPRITA SURA REDDY**  
Digitally signed by  
SUPRITA SURA REDDY  
Date: 2024.05.08  
22:17:04 +05'30'

**S. Suprita Reddy**  
Managing Director

DIN: 00263618

**Narasimha Raju K.A**  
Digitally signed by  
Narasimha Raju  
Date: 2024.05.08  
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**Narasimha Raju K.A**  
Chief Financial Officer

**HANSRAJ SINGH J SINGH**  
Digitally signed by  
HANSRAJ SINGH  
Date: 2024.05.08  
22:29:16 +05'30'

**Hansraj Singh Rajput**  
Company Secretary  
Membership No. F11438

Place: Hyderabad  
Date: May 08, 2024

Place: Hyderabad  
Date: May 08, 2024



303

**Vijaya Diagnostic Centre Limited**  
**Consolidated Statement of Changes in Equity for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Equity share capital	Reserves and surplus				Total attributable to owners of the Company	Total attributable to Non-controlling interest	Total
		General reserve	Securities premium	Share based payments reserve	Retained earnings			
<b>As at April 1, 2022</b>	1,019.66	493.20	4,590.28	196.29	40,522.50	46,821.93	132.31	46,954.24
<b>Total comprehensive income for the year ended March 31, 2023</b>								
Profit for the year	-	-	-	-	8,463.16	8,463.16	57.54	8,520.70
Other comprehensive income for the year	-	-	-	-	19.87	19.87	0.29	20.16
<b>Total comprehensive income for the year</b>					8,483.03	8,483.03	57.83	8,540.86
On account of Share based payments (refer note 28)	-	-	-	-	71.67	71.67	-	71.67
Transfer on account of employee share options lapsed/forfeited	-	45.00	-	(45.00)	-	-	-	-
Transfer on account of employee share options exercised	-	30.52	-	(30.52)	-	-	-	-
Proceeds from issue of shares under ESOP plan	1.05	-	115.90	-	-	116.95	-	116.95
Payment of dividend (refer note 10(b)(iv))	-	-	-	-	(1,020.64)	(1,020.64)	-	(1,020.64)
<b>As at March 31, 2023</b>	1,020.71	568.72	4,706.18	192.44	47,984.89	54,472.94	190.14	54,663.08
<b>Total comprehensive income for the year ended March 31, 2024</b>								
Profit for the year	-	-	-	-	11,882.53	11,882.53	81.18	11,963.71
Other comprehensive income for the year	-	-	-	-	(11.68)	(11.68)	0.46	(11.22)
<b>Total comprehensive income for the year</b>					11,870.85	11,870.85	81.64	11,952.49
On account of Share based payments (refer note 28)	-	-	-	-	93.17	93.17	-	93.17
Transfer on account of employee share options lapsed/forfeited	-	85.51	-	(85.51)	-	-	-	-
Transfer on account of employee share options exercised	-	79.05	-	(79.05)	-	-	-	-
Proceeds from issue of shares under ESOP plan	2.75	-	302.30	-	-	305.05	-	305.05
Payment of dividend (refer note 10(b)(iv))	-	-	-	-	(1,022.67)	(1,022.67)	-	(1,022.67)
<b>As at March 31, 2024</b>	1,023.46	733.28	5,008.48	121.05	58,833.07	65,719.34	271.78	65,991.12

As per our report of even date attached.

For B S R and Co

Chartered Accountants

ICAI Firm registration number: 128510W

AMIT KUMAR

Digitally signed by

AMIT KUMAR BAJAJ

Date: 2024.05.08

23:08:25 +05'30'

Amit Kumar Bajaj

Partner

Membership Number: 218685

Place: Hyderabad

Date: May 08, 2024

For and on behalf of the Board of Directors

Vijaya Diagnostic Centre Limited

CIN: L85195TG2002PLC039075

SURA

Digitally signed by

SURA SURENDRANATH

REDDY

Date: 2024.05.08

22:17:49 +05'30'

Dr. S. Surendranath Reddy

Executive Chairman

DIN: 00108599

SUNIL

Digitally signed by SUNIL

CHANDRA

KONDAPALLY

Date: 2024.05.08

22:29:45 +05'30'

K. Sunil Chandra

Executive Director

DIN: 01409332

Place: Hyderabad

Date: May 08, 2024

Digitally signed by

SUPRITA SURA

REDDY

Date: 2024.05.08

22:18:06 +05'30'

S. Suprita Reddy

Managing Director

DIN: 00263618

Kulakrishni

Digitally signed by

Narasimha Raju K.A

Date: 2024.05.08

22:18:06 +05'30'

Narasimha Raju K.A

Chief Financial Officer

HANSRA

Digitally signed by

HANSRA SINGH

J SINGH

Date: 2024.05.08

22:30:09 +05'30'

Hansraj Singh Rajput

Company Secretary

Membership No. F11438





Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

## 1. Corporate information

Vijaya Diagnostic Centre Limited ('the Company' or 'the Parent Company') together with its subsidiaries ('collectively, the Group') is engaged in the business of providing comprehensive range of diagnostic services, spanning pathological investigations, basic and high end radiology, nuclear medicine and related healthcare services.

The Company is domiciled and incorporated in India on June 05, 2002 and has its registered and corporate office at # 6-3-883/F, Ground Floor, Family Planning Association of India, Panjagutta, Hyderabad - 500 082, India.

The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

## 2. Basis of preparation and measurement

### (i) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on May 08, 2024.

### (ii) Change in accounting estimates

The Group charged depreciation on Property, Plant and Equipment based on Written Down Value ("WDV") method from 01 April 2022 to 31 December 2022. With effect from 01 January 2023, the Group changed its method of depreciation from WDV to Straight Line Method ("SLM") based on the technical assessment of the expected pattern of consumption of future economic benefits embodied in the assets as per Ind AS 16.

As per Ind AS 8, the effect of change in accounting estimate has to be given prospectively in the financial statements, accordingly, the Company has changed the method of depreciation w.e. 01 January 2023. Due to this change in accounting estimate, the depreciation expense is lower and the profit before tax is higher by Rs. 3,886.67 lakhs for the year ended 31 March 2024. Refer note 4(a)(i) for change in accounting estimate.

### (iii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Group's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

### (iv) Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Item Basis	Measurement
Certain financial assets and liabilities	Fair Value or Amortised Cost
Equity securities at FVOCI	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less the present value of the defined benefit obligations (refer note 28)
Equity settled share based payments	Fair Value

### (v) Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(L), 19 and 27 - lease term: whether the Group is reasonably certain to exercise extended options

#### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 3(H) - Impairment testing for goodwill generated on consolidation;
- Note 27 - measurement of defined benefit obligations: key actuarial assumptions;
- Notes 12 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 6 (b) - impairment of financial assets;
- Note 4 and Note 5 - determining an asset's expected useful life and the expected residual value at the end of its life
- Note 28 - Employee share based payments, equity settled
- Note 6(b), 31 C(i) - measurement of ECL allowance for trade receivables

### (vi) Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Significant valuation issues are reported to the Group's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in the measuring fair values is included in the following notes:

• Note 28: Share based payments.

• Note 31: Financial Instruments.

#### (vii) Principles of consolidation

##### a. Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns;
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee;
- (ii) Rights arising from other contractual arrangements;
- (iii) The Group's voting rights and potential voting rights;
- (iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31, 2024.

##### b. Consolidation procedures:

- a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

##### c. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### d. Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- (ii) Derecognises the carrying amount of any non-controlling interests;
- (iii) Derecognises the cumulative translation differences recorded in equity;
- (iv) Recognises the fair value of the consideration received;
- (v) Recognises the fair value of any investment retained;
- (vi) Recognises any surplus or deficit in profit or loss;
- (vii) Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.



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e. Subsidiaries considered in the consolidated financial statements:

S.No.	Name of the entity	Relationship	Country of incorporation	Ownership interest in %	
				'March 31, 2024	'March 31, 2023
1	Medinova Diagnostic Services Limited	Subsidiary	India	62.14%	62.14%
2	VDC Diagnostic (Karnataka) LLP	Subsidiary	India	100.00%	100.00%
3	Medinova Millennium MRI Services LLP*	Stepdown Subsidiary	India	100.00%	100.00%
4	Doctorslab Medical Services Private Limited#	Subsidiary	India	100.00%	100.00%
5	Namrata Diagnostic Centre Private Limited#	Stepdown Subsidiary	India	100.00%	100.00%
6	P H Diagnostic Centre Private Limited**	Subsidiary	India	100.00%	00.00%

\*Subsidiary of Medinova Diagnostic Services Limited

\*\* Subsidiary w.e.f December 21, 2023

# Refer Note 36 for further details

(vii) Current and non-current classification:

The Group classifies an asset as current when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it expects to realise the asset within twelve months after the reporting period;
- it holds the asset primarily for the purpose of trading; or
- the asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as a current when-

- it is expected to be settled in the Group's normal operating cycle;
- the liability is due to be settled within twelve months from the reporting period;
- it is held primarily for the purposes of being trading;
- it does not hold an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

3. Material accounting policies

A. Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

i) Diagnostic services

Revenue from diagnostic services is recognized on amount billed net of discounts / concessions if any. No element of financing is deemed present as the sales are made primarily on cash and carry basis, however for institutional / organizational customers billing is done fortnightly / monthly based on the agreement, which is consistent with market practice.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the underlying tests are conducted, samples are processed for requisitioned diagnostic tests. Each service is generally a separate performance obligation and therefore revenue is recognised at a point in time when the tests are conducted, samples are processed. For multiple tests, the Group measures the revenue in respect of each performance obligation at its relative stand alone selling price and the transaction price is allocated accordingly. The price that is regularly charged for a test separately registered is considered to be the best evidence of its stand alone selling. Revenue contracts are on principal to principal basis and the Group is primarily responsible for fulfilling the performance obligation.

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfer services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

ii) Sale of Privilege cards

The Group operates a discount scheme where certain 'Privilege cards' are sold to the customers against which specified discounts are given on the future diagnostic services availed by the customer for a specified period. The Group recognises revenue from the sale of such cards over the period for which the card is valid. The difference in sale consideration received and revenue recognised is recognised as deferred revenue.

B. Recognition of dividend income, interest income or expense and rental income

Dividend income

Dividend are recognised in statement of profit and loss on the date on which the Group's right to receive payment is established.

Interest income or expense

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Rental income

Rental income from Investment property is recognised as part of Other income in statement profit and loss on the date on which the Group's right to receive payment is established.



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### C. Financial instruments

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

#### i) Initial recognition and measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets or financial liabilities are initially recognised when the Group becomes a party to the contractual provision of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

The average credit period from these services provided to customers is 0 to 60 days. No interest is charged on the trade receivables for the amount over due above the credit period. A trade receivable without a significant financing component is initially measured at the transaction price.

#### ii) Classification and subsequent measurement

##### Financial assets

All financial assets are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### Subsequent measurement

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Equity investments at FVOCI:** These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

##### Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

#### iii) Derecognition

##### Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.



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#### Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### D. Property, plant and equipment

#### i) Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefit associated with the item will flow to the Group and the cost of the item can be measured reliably. Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at historical cost less any accumulated impairment losses.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working conditions for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

The cost of Property, plant and equipment as at April 01, 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

#### ii) Depreciation

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives. The Group charged depreciation on Property, Plant and Equipment (PPE) based on Written Down Value ("WDV") method upto 31 December 2022. With effect from 01 January 2023, the Group has changed its method of depreciation from WDV to Straight Line Method ("SLM") based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the assets.

Depreciation is charged over the useful lives of the assets as estimated by the Management based on technical evaluation, which coincide with the useful life prescribed in Schedule II to the Act. Depreciation on additions and deletions are restricted to the period of use.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Buildings	60 years	60 years
Plant and equipment:		
- Medical and diagnostic equipments	5 years - 13 years	13 years
- Other equipments	7 years - 15 years	15 years
Electrical equipments	10 years	10 years
Furniture and fixtures	5 years - 10 years	10 years
Office equipments	3 years - 5 years	5 years
Computers		
- Servers and networks	6 years	6 years
- End user devices such as laptops, etc.	3 years - 5 years	3 years
Vehicles	8 years	8 years

In case of Building on leasehold land, the depreciation is charged based on useful life of the building or the lease period whichever is lower. In the case of lease hold building improvements, the depreciation is charged based on useful life of the improvements which is 10 years or lease period including expected renewal period which ever is lower.

Residual value is considered to be 5% on all the assets, as technically estimated by the management.

Assets costing below Rs. 5,000 are depreciated using depreciation rate at 100%.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

- iii) Intangible assets acquired in a business combination are recognised separately from goodwill such as brand and non compete fees are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Significant estimates are required to be made in determining the value of these intangible assets as per Ind As 103. These valuations are conducted by independent valuation experts. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the basis of intangible assets that are acquired separately.





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#### E. Intangible assets

##### i) Recognition and measurement

Intangible assets that are acquired, are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

##### ii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the Straight Line Method (SLM) and is included in depreciation and amortisation expense in statement of profit and loss.

The estimated useful lives are as follows:

- Software - 5 years
- Non-compete fees - 5 years

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### F. Goodwill and Brand

Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination.

The Group's Goodwill on consolidation and Brand are tested for impairment annually or more frequently if there are indications that goodwill might be impaired.

An impairment loss recognized for Goodwill and Brand is not reversed in subsequent periods.

Further information about the assumptions made in testing impairment is included in the following notes:

- Note 5 - Intangible assets under development, Other intangible assets and Goodwill

#### G. Inventories

Inventories comprise of diagnostic kits, reagents, laboratory chemicals, consumables etc., these are measured at lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out formula and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

#### H. Impairment of assets

##### i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12 months expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

##### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

'Expected credit losses' are discounted at the effective interest rate of the financial statement.

##### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

##### Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering asset in its entirety or a portion thereof. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.



**(ii) Impairment of non-financial assets**

At each reporting date, the Group reviews the carrying amount of non-financial assets, other than inventories and deferred tax assets, to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

**1. Employee benefits**

**(i) Short-term employee benefits**

Short term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

The Group makes specified monthly contributions towards Government administered provident fund scheme and Employees' State Insurance ('ESI') scheme.

Obligations for contributions to defined contribution plans are expensed as an employee benefits expense in statement of profit and loss in the period in which the related services are rendered by employees.

**(iii) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The Group recognises gain and losses on settlement of a defined benefit plan when the settlement occurs.

**(iv) Other long-term employee benefits - compensated absences**

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Group's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value. The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

**(v) Share based payments**

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefits expense, with a corresponding increase in equity, over the vesting period of the options. The amount recognised as an expense is adjusted to reflect the number of options for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of options that meet the related service and non-market performance conditions at the vesting date. For share-based payment options with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.





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#### J. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

##### As a Lessor:

Leases for which the Group is a lessor are classified as a finance or operating lease. Whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Rental income from operating leases are recognised on straight line basis over the term of relevant lease as part of other income.

##### As a Lessee:

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

#### K. Income-tax

Income-tax expenses comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

##### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### L. Provision, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

The Group records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate.

##### *Contingencies:*

Provision in respect of loss / contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

##### *Contingent liabilities and contingent assets:*

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date

#### M. Earnings per share

##### *Basic Earnings per share*

Basic Earnings Per Share ('EPS') is calculated by dividing the profit attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

##### *Diluted Earnings per share*

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

#### N. Exceptional items

The Group discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying operating performance of the Company and provides consistency with the Company internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

#### N. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

#### O. Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement consists of cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities less than three months which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

**P. Dividend**

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period.

**Q. Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**R. Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupee in lakhs, except for share data or as otherwise stated)

**4 (a) Property, plant and equipment**

Particulars	Freehold land	Buildings	Building on leasehold land	Leasehold improvements	Plant and equipment - Medical	Plant and equipment - others	Electrical equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
<b>A. Gross value (at cost)</b>												
As at April 01, 2022	4,619.08	861.71	1,416.77	3,215.64	18,853.24	2,721.21	1,458.17	1,920.64	321.57	717.97	274.12	36,380.12
Additions	-	-	-	1,536.19	8,592.05	628.43	698.76	1,375.89	139.91	366.89	390.37	13,548.47
Depreciation	-	-	-	(999.57)	(28,311)	(12,177)	(42,671)	(117,981)	(10,311)	-	(20,521)	(321,551)
<b>As at March 31, 2023</b>	<b>4,619.08</b>	<b>861.71</b>	<b>1,416.77</b>	<b>4,672.26</b>	<b>27,166.96</b>	<b>3,397.47</b>	<b>2,114.26</b>	<b>3,278.55</b>	<b>461.17</b>	<b>1,084.86</b>	<b>593.97</b>	<b>49,607.06</b>
Additions on account of business combinations (refer note 3(a))	-	-	-	-	948.59	39.18	61.29	200.11	16.71	11.83	0.79	1,269.50
Additions	-	-	-	1,156.80	7,492.68	309.55	413.64	489.29	98.02	198.98	58.23	10,208.19
Depreciation	-	-	-	(1,156.80)	(7,492.68)	(309.55)	(413.64)	(489.29)	(98.02)	(198.98)	(58.23)	(10,208.19)
<b>As at March 31, 2024</b>	<b>4,619.08</b>	<b>861.71</b>	<b>1,416.77</b>	<b>5,329.06</b>	<b>34,960.40</b>	<b>3,666.92</b>	<b>2,589.19</b>	<b>3,967.95</b>	<b>575.90</b>	<b>1,295.67</b>	<b>618.22</b>	<b>60,400.87</b>
<b>B. Accumulated depreciation</b>												
As at April 01, 2022	-	141.39	451.02	1,791.65	9,670.95	1,740.98	757.14	1,033.18	235.17	535.81	162.45	16,719.04
For the year	-	29.37	58.56	409.00	2,161.88	194.16	220.11	334.12	88.70	154.76	28.44	3,783.10
Depreciation	-	-	-	(100.53)	(66,571)	(8,483)	(42,661)	(117,991)	(10,281)	-	(22,121)	(279,631)
<b>As at March 31, 2023</b>	<b>-</b>	<b>170.76</b>	<b>706.58</b>	<b>2,190.12</b>	<b>11,766.26</b>	<b>1,926.26</b>	<b>941.59</b>	<b>1,452.31</b>	<b>325.89</b>	<b>690.57</b>	<b>128.77</b>	<b>20,203.11</b>
For the year	-	11.68	26.48	356.37	1,680.54	121.75	154.48	247.65	59.32	155.80	61.50	2,881.57
Depreciation	-	-	-	(356.37)	(1,680.54)	(121.75)	(154.48)	(247.65)	(59.32)	(155.80)	(61.50)	(2,881.57)
<b>As at March 31, 2024</b>	<b>-</b>	<b>182.44</b>	<b>736.06</b>	<b>2,546.49</b>	<b>13,935.15</b>	<b>2,046.73</b>	<b>1,099.07</b>	<b>1,599.96</b>	<b>383.21</b>	<b>846.37</b>	<b>163.25</b>	<b>22,538.73</b>
<b>C. Net carrying value (A-B)</b>												
As at March 31, 2023	4,619.08	690.95	690.19	3,282.57	22,025.25	1,670.19	1,490.12	2,462.99	192.60	449.30	454.97	37,862.14
As at March 31, 2024	4,619.08	690.95	690.19	2,882.57	15,400.70	1,411.21	1,109.67	1,926.24	177.28	394.29	403.20	39,403.95

Notes:

Refer to note 22 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

**Note 4(a)(i)**

The depreciation on Property, plant and equipment is charged based on Written Down Value ("WDV") method upto December 31, 2022. Based upon the technical assessment of expected pattern of consumption of the future economic benefits embodied in the assets, with effect from January 01, 2023 the depreciation method is changed to Straight Line Method (SLM) hence the carrying value of the assets as on December 31, 2022 has been depreciated as per SLM method over the remaining useful lives of the assets. Due to this change in accounting estimate, the depreciation expense is lower and the profit before tax is higher by Rs. 3,886.67 lakhs for the year ended 31 March 2024.

The impact, on account of this change in method of depreciation, on the future periods is given below:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2026	For the year ended 31 March 2027	Later years
(Decrease) / Increase in depreciation expense	(2,888.88)	(1,598.63)	(721.86)	5,309.36

**Note 4(a)(ii)**

**Title deeds for Freehold land and Buildings**

Description	March 31, 2024	March 31, 2023
Title deeds held in the name of	Group	Group
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	No	No
Reason for not being held in the name of the company	Not applicable	Not applicable



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 4 (b) (i) Capital work in progress (CWIP)

Particulars	As at	As at
	31 March 2024	31 March 2023
As at the beginning of the year	2,710.61	3,409.88
Additions during the year	8,318.21	12,849.20
Less: Capitalised during the year	(10,208.19)	(13,548.47)
<b>Balance at the end of the year</b>	<b>820.63</b>	<b>2,710.61</b>

(ii) The Group does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

## (iii) Capital work-in progress ageing schedule

As at March 31, 2024

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	537.59	-	283.04	-	820.63
	<b>537.59</b>	<b>-</b>	<b>283.04</b>	<b>-</b>	<b>820.63</b>

As at March 31, 2023

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	2,427.57	283.04	-	-	2,710.61
	<b>2,427.57</b>	<b>283.04</b>	<b>-</b>	<b>-</b>	<b>2,710.61</b>

(iv) There are no CWIP which is temporarily suspended as at March 31, 2024 and March 31, 2023.



## Vijaya Diagnostic Centre Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 4 (c) Right of use assets and Lease Liabilities

The Group has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

The Group uses the incremental borrowing rate to discount its lease payments. The rate applied is 8.50% p.a.

(i) Movement in Right of use assets ('ROU') and Lease liabilities is given below:

Description	Right of use assets (Buildings)
<b>Gross ROU asset</b>	
As at April 01, 2022	21,611.12
Additions	8,051.35
Disposals	(417.80)
<b>As at March 31, 2023 (A)</b>	<b>29,244.67</b>
Additions	1,967.88
Additions on account of business combinations (refer note 30)	922.88
Disposals	(259.30)
<b>As at March 31, 2024 (C)</b>	<b>31,876.13</b>
<b>Accumulated depreciation</b>	
As at April 1, 2022	4,895.87
Depreciation charge / Adjustments for the year	2,369.37
Disposals	(254.49)
<b>As at March 31, 2023 (B)</b>	<b>7,010.75</b>
Depreciation charge / Adjustments for the year	2,664.45
Disposals	(154.01)
<b>As at March 31, 2024 (D)</b>	<b>9,521.19</b>
<b>Net carrying amount as at March 31, 2024 (C)- (D)</b>	<b>22,354.94</b>
<b>Net carrying amount as at March 31, 2023 (A)- (B)</b>	<b>22,233.92</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance as at the beginning of the year</b>	<b>24,755.90</b>	<b>18,282.80</b>
Additions during the year	1,869.56	7,956.26
Additions on account of business combinations (refer note 30)	960.56	-
Disposal during the year	(105.29)	(151.65)
Accretion of interest	2,136.15	1,889.66
Payment of lease liabilities	(3,698.65)	(3,221.17)
<b>Balance as at the end of the year</b>	<b>25,918.23</b>	<b>24,755.90</b>
<b>Lease liabilities</b>		
- Current lease liabilities	2,013.02	1,452.89
- Non Current lease liabilities	23,905.21	23,303.01

(ii) Payments recognised as expenses and income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short term leases (refer note 20)	65.97	45.03
	<b>65.97</b>	<b>45.03</b>

(iii) Contractual maturities of lease liabilities on undiscounted basis

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	1,926.89	3,501.80
One to five years	13,016.94	12,966.36
More than five years	23,344.76	24,023.30
	<b>38,288.59</b>	<b>40,491.46</b>

Note: All the leases are entered in the name of the Group





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Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

5 Intangible assets under development, Other intangible assets and Goodwill

Particulars	Goodwill	Intangible assets under development *	Other intangible assets			Total
			Software	Brand	Non-compete fee	
<b>A. Gross carrying value (at cost)</b>						
As at April 01, 2022	533.75	6.84	415.37	-	-	415.37
Additions	-	284.40	228.18	-	-	228.18
Disposals / Capitalisation	-	(228.18)	-	-	-	-
As at March 31, 2023	533.75	63.06	643.55	-	-	643.55
Additions	-	48.67	314.75	-	-	314.75
Additions on account of business combinations (refer note 30)	11,386.74	-	1.18	1,395.26	317.87	1,714.31
Disposals / Capitalisation	-	(63.06)	-	-	-	-
As at March 31, 2024	11,920.49	48.67	959.48	1,395.26	317.87	2,672.61
<b>B. Accumulated amortisation</b>						
As at April 01, 2022	-	-	279.69	-	-	279.69
Amortisation charge for the year	-	-	144.23	-	-	144.23
Disposals	-	-	-	-	-	-
As at March 31, 2023	-	-	423.92	-	-	423.92
Amortisation charge for the year	-	-	163.10	-	15.89	178.99
Disposals	-	-	-	-	-	-
As at March 31, 2024	-	-	587.02	-	15.89	602.91
<b>C. Net carrying value (A-B)</b>						
As at March 31, 2024	11,920.49	48.67	372.46	1,395.26	301.98	2,069.70
As at March 31, 2023	533.75	63.06	219.63	-	-	219.63

\* Intangible assets under development primarily represents softwares which are under progress and are not capitalized

(i) The Group does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan.

(ii) Impairment testing for cash generating unit containing goodwill and brand (indefinite useful life)

For the purpose of impairment testing carrying amount of Goodwill and Brand has been allocated to the following Cash Generating Units (CGU) as follows:

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>PH Diagnostic Centre Private Limited ('CGU 1')</b>		
- Goodwill	11,386.74	-
- Brand	1,395.26	-
<b>Medinova Diagnostic Services Limited ('CGU 2')</b>		
- Goodwill	533.75	533.75
	13,315.75	533.75

Goodwill and Brand (indefinite useful life) are tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill and brand by assessing the recoverable amount of each CGU to which the goodwill and brand relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

The recoverable amounts of the above cash generating units have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been used on historical data from both external and internal sources.

Key assumptions upon which the Group has based its determinations of value-in-use include:

Particulars	CGU 1	CGU 2
Revenue growth rate for five years	10%	5% - 12%
Terminal value growth rate	5%	5%
Weighted average cost of capital % (WACC) post tax	14.30%	14.30%

a) The cash flow projections include specific estimates for five years and a terminal growth rate thereafter.

b) The terminal value is arrived at by extrapolating the last forecasted year cash flows to perpetuity, using a constant long-term growth rate. This long term growth rate takes into consideration external macroeconomic sources of data.

c) The after tax discount rates used reflect the current market assessment of the risks specific to a CGU. The discount rate is estimated based on the weighted average cost of capital ("WACC") for respective CGU.

As at March 31, 2024, the estimated recoverable amount of CGU exceeds its carrying amount and accordingly, nil impairment was recognised during the year ended March 31, 2024 (March 31, 2023: Rs. Nil).

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

(iii) Intangible assets under development ageing schedule

As on March 31, 2024

Particulars	Amount in intangible asset under development for period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	48.67	-	-	-	48.67
<b>Total</b>	<b>48.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48.67</b>

As on March 31, 2023

Particulars	Amount in intangible asset under development for period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	63.06	-	-	-	63.06
<b>Total</b>	<b>63.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63.06</b>

(iv) There are no intangible assets under development which are temporarily suspended as at March 31, 2024 and March 31, 2023





Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>6 Financial assets</b>		
<b>(a) Investments</b>		
<b>Non-current</b>		
<b>Investments designated at fair value through OCI</b>		
<b>Investment in Equity Instruments - carried at FVOCI</b>		
<b>Unquoted</b>		
C.R Broadcasting Hyderabad Limited	4.00	4.00
[40,000 (March 31, 2023: 40,000) equity shares of Rs. 10 each fully paid up]		
	<b>4.00</b>	<b>4.00</b>
Aggregate book value of unquoted investments	4.00	4.00
Aggregate book value of impairment in value of investments	-	-
<b>Current</b>		
<b>Investments at fair value through profit or loss</b>		
<b>Mutual Funds - quoted</b>		
Aditya Birla Sunlife Floating Rate Fund - Nil (March 31, 2023: 1,12,481.50) units	-	336.98
Aditya Birla Sunlife Low Duration Fund - Nil (March 31, 2023: 73,574.67) units	-	449.87
ABSL Money Manager Fund- Nil (March 31, 2023: 3,47,967.47) units	-	1,100.25
ABSL Saving Fund- Nil (March 31, 2023: 1,60,099.92) units	-	752.88
Axis Money Market Fund- G-Direct- Nil (March 31, 2023: 79,560.23) units	-	968.73
HDFC Balanced Advantage Fund - Reg - Growth - Nil (March 31, 2023: 3,12,765.36) units	-	1,011.18
HDFC Low Duration Fund - Nil (March 31, 2023: 805,643.61) units	-	423.13
Bandhan Banking & PSU Debt Fund Growth - Nil (March 31, 2023: 48,65,969.99) units (formerly IDFC mutual fund)	-	1,039.03
Bandhan Low Duration Fund D- Growth - Nil (March 31, 2023: 42,00,260.34) units (formerly IDFC mutual fund)	-	1,406.31
Kotak Low Duration Fund - Nil (March 31, 2023: 12,724.06) units	-	389.44
Kotak Money Market Fund-DP-Growth Nil (March 31, 2023: 15,810.84) units	-	605.29
Nippon India Money Market Fund- G-Direct- Nil (March 31, 2023: 24,136.90) units	-	856.26
SBI Magnum Ultra Short Duration Fund (DG)- Nil (March 31, 2023: 7,941) units	-	409.63
SBI Savings Fund-DP-Growth-Nil (March 31, 2023: 21,49,800.57) units	-	807.71
TATA Treasury Advantage Fund-D-Growth -Nil (March 31, 2023: 33,517.07) units	-	1,144.93
Tata Money Market Fund-DP-Growth- Nil (March 31, 2023: 29,779.82) units	-	1,205.50
HDFC Liquid Fund-Direct-Growth - 24,650.89 (March 31, 2023: Nil) units	1,169.35	-
Bandhan Liquid fund Growth - Direct - 24,698.69 (March 31, 2023: Nil) units	720.55	-
Aditya Birla Sun Life Liquid Fund-1,16,169.69 (March 31, 2023: Nil) units	452.69	-
TATA Liquid Fund-Direct Plan-Growth- 40,346.31 (March 31, 2023: Nil) units	1,537.30	-
Nippon India Liquid Fund-DP-Growth-12,439.91 (March 31, 2023: Nil) units	735.07	-
ICICI Prudential Liquid Fund - Direct - Growth-1,13,466.16 (March 31, 2023: Nil) units	405.54	-
Franklin India Liquid Fund - Dp - Growth-58,516.54 (March 31, 2023: Nil) units	2,122.33	-
DSP Liquid Fund - Direct - Growth-21,781.19 (March 31, 2023: Nil) units	751.75	-
Axis Liquid Fund - D-Growth-1,12,470.7 (March 31, 2023: Nil) units	3,018.40	-
<b>Bonds</b>		
Axis Finance Limited - 83 Bonds having face value of Rs.10,00,000 each (March 31, 2023: 992.20)	-	992.20
	<b>10,912.98</b>	<b>13,899.32</b>
Aggregate book value of quoted investments	10,912.98	13,899.32
Aggregate market value of quoted investments	10,912.98	13,899.32
Aggregate value of impairment in value of investments	-	-
Aggregate value of unquoted investments	-	-

No strategic investments were disposed off during the year ended 31 March 2024, and there were no transfers of any cumulative gain or loss within equity relating to these investments.



Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the Year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(b) Trade receivables</b>		
Trade receivables considered good- Secured	-	-
<b>Trade receivables- considered good- Secured</b>	-	-
Trade receivables- considered good- Unsecured *	1,737.92	1,064.57
Less: Allowance for expected credit loss	(113.95)	(115.70)
<b>Trade receivables- considered good- Unsecured</b>	<b>1,623.97</b>	<b>948.87</b>
Trade receivables- credit impaired- Unsecured	106.88	60.40
Less: Allowance for credit impaired	(106.88)	(60.40)
<b>Trade receivables- credit impaired- Unsecured</b>	<b>-</b>	<b>-</b>

\* Includes amount receivable from related parties (refer note 29)

**Trade receivables ageing schedule**  
**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	311.35	862.99	445.03	57.55	10.52	31.20	1,718.64
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	0.19	1.55	17.54	19.28
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	10.20	12.28	1.14	22.87	60.39	106.88
<b>Total (A)</b>	<b>311.35</b>	<b>873.19</b>	<b>457.31</b>	<b>58.88</b>	<b>34.94</b>	<b>109.13</b>	<b>1,844.80</b>
Allowance for expected credit loss	-	-	-	-	-	-	113.95
Allowance for credit impairment	-	-	-	-	-	-	106.88
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>220.83</b>
<b>Total (A-B)</b>	<b>311.35</b>	<b>873.19</b>	<b>457.31</b>	<b>58.88</b>	<b>34.94</b>	<b>109.13</b>	<b>1,623.97</b>

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	80.85	824.15	61.92	46.13	41.87	8.37	1,063.29
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	0.46	0.82	1.28
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	60.40	60.40
<b>Total (A)</b>	<b>80.85</b>	<b>824.15</b>	<b>61.92</b>	<b>46.13</b>	<b>42.33</b>	<b>69.59</b>	<b>1,124.97</b>
Allowance for expected credit loss	-	-	-	-	-	-	115.70
Allowance for credit impairment	-	-	-	-	-	-	60.40
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>176.10</b>
<b>Total (A-B)</b>	<b>80.85</b>	<b>824.15</b>	<b>61.92</b>	<b>46.13</b>	<b>42.33</b>	<b>69.59</b>	<b>948.87</b>

**(c) Cash and cash equivalents**

Cash on hand	90.97	56.05
Balances with banks		
- in current accounts	928.25	1,159.67
- unpaid dividend accounts	0.71	0.47
- in deposit accounts having original maturity less than 3 months or less	1,204.84	1,201.50
	<b>2,224.77</b>	<b>2,417.69</b>

**(d) Other bank balances**

<b>Current</b>		
Deposits with banks with original maturity more than three months but less than twelve months * @	5,082.99	9,224.54
	<b>5,082.99</b>	<b>9,224.54</b>

@ Fixed deposit of Rs. 14 (March 31, 2023: Rs. 10.10) under lien.

\* These deposits are made with banks comprise of time deposits, which are available at call.



Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023				
(e) Other financial assets (Unsecured, considered good)						
Non-current						
Balances with bank held as margin money	6.35	12.37				
Fixed deposit with banks, with remaining maturity of more than twelve months from balance sheet date	39.35	39.54				
Security deposits (rental/electricity deposits) *	1,084.25	848.01				
	1,129.95	899.92				
* Includes amount receivable from related parties (refer note 29)						
Current						
Fixed deposits with banks, with original maturity of more than twelve months and remaining maturity of less than twelve months from balance sheet date	134.26	-				
Interest accrued on bank deposits and others	111.41	318.53				
Security deposits (rental/electricity deposits) *	66.37	8.68				
Other receivables	0.38	34.83				
	312.42	362.04				
* Includes amount receivable from related parties (refer note 29)						
Particulars	As at March 31, 2024	As at March 31, 2023				
7 Deferred tax assets/(liabilities), net						
Deferred tax assets						
- Decommissioning liability on property, plant and equipment (refer note 12)	196.03	171.23				
- Leases	1,096.28	853.42				
- Employee benefits	156.70	96.42				
- Credit impaired debts	50.73	43.18				
- Property, plant and equipment	34.26	31.07				
- Others	97.40	80.79				
Sub total (A)	1,631.40	1,276.11				
Deferred tax liabilities						
- Fair value gain / loss from investments	59.36	139.57				
- Property, plant and equipment and intangible assets	1,280.19	311.63				
Sub total (B)	1,339.55	451.20				
Deferred tax asset/(liability), net (A-B)	291.85	824.91				
Movement in deferred tax assets/ (liabilities)						
On account of	Property, plant and equipment including decommissioning liability	Provision for employee benefits	Leases	Fair value gain or loss from investments	Others	Total
As at April 01, 2022	122.23	89.34	598.05	(42.56)	118.75	885.81
(Charged)/ credited:						
- to profit and loss	(231.56)	13.86	255.37	(97.01)	5.22	(54.12)
- to OCI	-	(6.78)	-	-	-	(6.78)
As at March 31, 2023	(109.33)	96.42	853.42	(139.57)	123.97	824.91
On account of business combination (refer note 30)	14.42	16.23	-	-	16.94	47.59
(Charged)/credited:						
- to profit and loss	(954.99)	40.28	242.86	80.21	7.22	(584.42)
- to OCI	-	3.77	-	-	-	3.77
As at March 31, 2024	(1,049.90)	156.70	1,096.28	(59.36)	148.13	291.85
There are no unrecognized deferred tax assets and liabilities as at March 31, 2024 and March 31, 2023.						
8 Inventories (Valued at lower of cost and net realisable value)						
Reagents, chemicals, digital imaging films, consumables etc (net of provision of Rs. 51 (March 31, 2023 : Rs. 34))					518.27	204.86
					518.27	204.86
9 Other assets (Unsecured, considered good)						
Non-current						
Capital advances					431.80	651.45
Less: Provision for doubtful advances					(63.63)	(63.63)
Prepaid expenses					250.56	273.69
					618.73	861.51
Current						
Advances other than capital advances						
- Advance to suppliers					85.26	214.02
- Advance to employees					28.64	13.56
Prepaid expenses					343.49	281.22
					457.39	508.80



Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>10 Equity</b>		
<b>Authorised share capital</b>		
120,500,000 equity shares of Re. 1 each (March 31, 2023: 120,500,000 equity shares of Re. 1 each)	1,205.00	1,205.00
<b>Equity share capital</b>		
(a) Issued, subscribed and fully paid up capital		
102,345,693 equity shares of Re. 1 each (March 31, 2023: 102,071,175 equity shares of Re. 1 each), fully paid-up	1,023.46	1,020.71
	<b>1,023.46</b>	<b>1,020.71</b>

**i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	102,071,175	1,020.71	101,965,926	1,019.66
Issue under Employee Stock Option Plan (refer note 28)	274,518	2.75	105,249	1.05
<b>Shares outstanding at the end of the year</b>	<b>102,345,693</b>	<b>1,023.46</b>	<b>102,071,175</b>	<b>1,020.71</b>

**ii) Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of Re. 1 per share (March 31, 2023: Re. 1 per share). Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings. 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 shareholders.

**iii) Details of shareholders holding more than 5% equity shares in the Company**

Particulars	March 31, 2024		March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
<b>Equity Shares:</b>				
Dr S.Surendranath Reddy	33,422,899	32.66%	33,722,899	33.04%
S Suprita Reddy	9,176,933	8.97%	9,176,933	8.99%
K Sunil Chandra	8,596,933	8.40%	9,106,933	8.92%
Nippon Life India Trustee Limited	6,369,308	6.22%	5,867,208	5.75%

**iv) Shares held by promoters at the end of the year:**

Promoter's Name	March 31, 2024			March 31, 2023		
	No. of Shares	% of holding	% of change	No. of Shares	% of holding	% of change
Dr S.Surendranath Reddy	33,422,899	32.66%	(0.38%)	33,722,899	33.04%	0.26%
<b>Total</b>	<b>33,422,899</b>	<b>32.66%</b>	<b>(0.38%)</b>	<b>33,722,899</b>	<b>33.04%</b>	<b>0.26%</b>

(v) During the five years immediately preceeding the year, no shares have been bought back, no shares have been issued for consideration other than cash except for equity shares issued by way of bonus as provided below:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Allotted as fully paid up equity shares by way of bonus	-	-	56,647,736	-	-
Shares issued for consideration other than cash	-	-	-	-	-

(vi) For details of share reserved for issue under Employee Stock Option Plan (ESOP) of the Company, refer note 28.



Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

(b) Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
General reserve	733.28	568.72
Employee share options outstanding	121.05	192.44
Securities premium	5,008.48	4,706.18
Retained earnings	58,833.07	47,984.89
	<b>64,695.88</b>	<b>53,452.23</b>

i) General reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	568.72	493.20
Add: Transfer on account of employee share based options lapsed/forfeited	85.51	45.00
Add: Transfer on account of exercise of employee share based options	79.05	30.52
<b>Balance as at the end of the year</b>	<b>733.28</b>	<b>568.72</b>

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

ii) Share based payments reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	192.44	196.29
Add: Share based payments expense (refer note 17)	93.17	71.67
Less: Transfer to general reserve due to employee share based options lapsed/forfeited	(85.51)	(45.00)
Less: Transfer to general reserve due to exercise of employee share based options	(79.05)	(30.52)
<b>Balance as at the end of the year</b>	<b>121.05</b>	<b>192.44</b>

The Company has established equity settled share based payment plan for employees of the Company (refer note 28 for details)

iii) Securities premium

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	4,706.18	4,590.28
Less: Issue of bonus shares	-	-
Add: Proceeds from exercise of employee share based options (ESOP)	302.30	115.90
<b>Balance as at the end of the year</b>	<b>5,008.48</b>	<b>4,706.18</b>

Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the "Act".

iv) Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the commencement of the year	47,984.89	40,522.50
Add: Profit for the year	11,882.53	8,463.16
Less: Dividend paid during the year	(1,022.67)	(1,020.64)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of defined benefit obligations (net of tax)	(11.68)	19.87
<b>Balance as at the end of the year</b>	<b>58,833.07</b>	<b>47,984.89</b>

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders. OCI represents re-measurement on defined employee benefit obligations: Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified to statement of profit and loss.

<b>Total Other equity (i+ii+iii+iv)</b>	<b>64,695.88</b>	<b>53,452.23</b>
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Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>11 Financial liabilities</b>		
<b>(a) Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 24)	60.45	51.84
Total outstanding dues of creditors other than micro enterprises and small enterprises *	3,234.52	2,719.64
	<b>3,294.97</b>	<b>2,771.48</b>

\* Includes amount payable to related parties (refer note 29)

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
i) MSME	3.52	56.93	-	-	-	60.45
ii) Others	1,594.59	1,601.99	15.42	19.36	2.66	3,234.02
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>1,598.11</b>	<b>1,658.92</b>	<b>15.42</b>	<b>19.36</b>	<b>2.66</b>	<b>3,294.47</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	-	51.84	-	-	-	51.84
ii) Others	1,565.57	1,119.67	8.30	20.37	5.73	2,719.64
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	<b>1,565.57</b>	<b>1,171.51</b>	<b>8.30</b>	<b>20.37</b>	<b>5.73</b>	<b>2,771.48</b>

**(b) Other financial liabilities****Current**

Employee payables	834.07	630.04
Dividend payable	0.71	0.47
Capital creditors	305.07	768.36
	<b>1,139.85</b>	<b>1,398.87</b>

**12 Provisions****Non-current**

Provision for employee benefits:		
- Gratuity (refer note 27)	319.40	169.90
- Compensated absences	3.51	3.78
Others:		
- Decommissioning liability *	735.27	537.98
	<b>1,058.18</b>	<b>711.66</b>

**Current**

Provision for employee benefits:		
- Gratuity (refer note 27)	93.10	102.45
- Compensated absences	187.34	158.63
Others:		
- Decommissioning liability *	35.18	133.94
	<b>315.62</b>	<b>395.02</b>

\* Provision for Decommissioning liability represents the amounts which would be incurred towards decommissioning the Company's Plant and Machinery- Medical

Note:

**i. Movement in Provision for Decommissioning liability**

Decommissioning liability	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	671.92	545.87
Add: Unwinding of interest	59.73	51.43
Add: Provision created during the year	38.80	74.62
Balance as at the end of the year	<b>770.45</b>	<b>671.92</b>

**13 Other liabilities****Non-current**

Deferred revenue - contract liability	34.17	46.07
	<b>34.17</b>	<b>46.07</b>

**Current**

Deferred revenue - contract liability	49.24	38.66
Statutory liabilities	325.66	289.63
Advance from customers - contract liability	27.53	29.42
	<b>402.43</b>	<b>357.71</b>



Vijaya Diagnostic Centre Limited  
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(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>14 Revenue from operations</b>		
Revenue from contracts with customers- Sale of services	54,757.91	45,900.39
Other operating revenue		
- Sale of scrap	18.90	18.16
- Others	3.72	3.72
	<b>54,780.53</b>	<b>45,922.27</b>
Disclosure as per Ind AS 115 - Revenue from contracts with customers		
<b>A. Contract balances</b>		
Particulars	As at March 31, 2024	As at March 31, 2023
Contract assets	-	-
Contract liabilities		
- Advances from customers (refer note 13)	27.53	29.42
- Deferred revenue (refer note 13)	83.41	84.73
The revenue recognized during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of contract assets and liabilities.		
<b>B. Movement in contract liabilities during the year</b>		
<b>March 31, 2024</b>		
Particulars	Deferred Revenue	Advance from customers
Balance at the beginning of the year	84.73	29.42
Less: Revenue recognised during the period from above	(45.99)	(30.89)
Add: Addition during the year	44.67	29.00
<b>Balance at the end of the year</b>	<b>83.41</b>	<b>27.53</b>
<b>March 31, 2023</b>		
Particulars	Deferred Revenue	Advance from customers
Balance at the beginning of the year	23.45	21.18
Less: Revenue recognised during the period from above	(22.89)	(18.92)
Add: Addition during the year	84.17	27.16
<b>Balance at the end of the year</b>	<b>84.73</b>	<b>29.42</b>
<b>C. Reconciliation of Revenue recognised with contract price</b>		
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contract with customer as per the contract price	56,555.01	47,387.57
Adjustments made to contract price on account of :-		
Discount / rebates	(1,797.10)	(1,487.18)
Revenue from contract with customer	54,757.91	45,900.39
Other operating revenue	22.62	21.88
<b>Revenue from operations</b>	<b>54,780.53</b>	<b>45,922.27</b>
<b>15 Other income</b>		
Interest income under the effective interest method on:		
Fixed deposits with banks	528.61	766.51
Financial assets carried at amortised cost	68.70	61.49
Gain on sale of mutual funds	1,566.26	86.49
Fair value gain / (loss) on investments measured at FVTPL *	(318.70)	585.44
Net gain on sale/ retirement of property, plant and equipment	195.15	8.60
Liabilities no longer required written back	5.53	90.00
Other non operating income	36.25	16.54
	<b>2,081.80</b>	<b>1,415.07</b>
* Unrealised gain on investments in mutual funds		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance of unrealised gain	554.51	169.07
Reversal of unrealised gain during the year (A)	(554.51)	(36.06)
Unrealised gain accounted during the year (B)	235.81	421.50
<b>Impact of unrealised gain on the statement of profit and loss account (A+B)</b>	<b>(318.70)</b>	<b>385.44</b>
<b>Closing Unrealised gain</b>	<b>235.81</b>	<b>554.51</b>
<b>16 Cost of materials consumed</b>		
Inventory of materials as at the beginning of the year (refer note 8)	204.86	427.67
Add: On account of business combination (refer note 30)	82.99	-
Add: Purchases during the year	6,774.26	5,665.35
Less: Inventory of materials as at the end of the year (refer note 8)	(518.27)	(204.86)
	<b>6,543.84</b>	<b>5,888.16</b>
<b>17 Employee benefits expense</b>		
Salaries, wages and bonus	8,169.97	7,032.61
Contribution to provident and other funds (refer note 27)	465.92	396.43
Gratuity (refer note 27)	147.29	122.24
Compensated absences	78.18	56.45
Equity-settled share based payment transactions (refer note 28)	93.17	71.67
Staff welfare expenses	67.33	168.34
	<b>9,021.86</b>	<b>7,847.74</b>





Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>18 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment (refer note 4(a) & note 4(a)(ii))	2,896.01	3,783.10
Amortisation on other intangible assets (refer note 5)	178.99	144.23
Depreciation on right of use assets (refer note 4(c))	2,624.62	2,244.68
	<b>5,699.62</b>	<b>6,172.01</b>
<b>19 Finance costs</b>		
Interest on borrowings measured at amortised cost	-	1.39
Unwinding of interest on decommissioning liability	60.09	51.41
Interest expense on lease liabilities (refer note 4(c))	2,136.15	1,889.66
Bank charges	202.74	152.33
	<b>2,398.98</b>	<b>2,094.79</b>
<b>20 Other expenses</b>		
Power and fuel	1,827.01	1,482.64
Rent	65.97	45.03
Testing charges	220.26	131.61
Sample collection charges	293.72	303.67
Repairs and maintenance		
a. Buildings	318.29	181.40
b. Plant and equipment	1,491.14	1,412.03
c. Others	284.01	164.98
House keeping expenses	813.89	732.65
Security charges	429.87	452.86
Insurance	140.63	88.58
Rates and taxes	381.00	271.98
Advertisement, publicity and marketing	415.02	335.75
Business promotion expenses	355.09	237.78
Travelling and conveyance	372.37	323.02
Legal and professional fees (professional fees to doctor consultants and others)	8,701.09	6,890.24
Payment to auditors (refer note (i) below)	87.80	87.32
Remuneration to independent directors	56.64	56.64
Postage and communication	188.49	177.03
Printing and stationery	150.60	77.74
Loss allowance for trade receivables	48.00	23.28
Provision for doubtful advances	-	30.00
Advances written-off	-	13.38
Corporate social responsibility expenditure ('CSR') (refer note (ii) below)	244.33	225.14
Donations*	2.55	10.25
Miscellaneous expenses	237.17	238.64
	<b>17,124.94</b>	<b>13,983.64</b>
* Donations include Rs. 1 (March 31, 2023: Nil) contribution made to political party - Communist Party of India (Marxist)		
<b>Notes:</b>		
<b>i. Payment to auditors (inclusive of taxes)</b>		
As auditors		
- Statutory audit fees	59.00	59.00
- Limited review of quarterly results	21.24	21.24
Reimbursement of expenses	7.56	7.08
	<b>87.80</b>	<b>87.32</b>



Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>ii. Details of corporate social responsibility expenditure</b>		
(i) Gross amount required to be spent by the Group during the period	244.33	225.14
(ii) Amount approved by the Board to be spent during the period	244.33	225.14
(iii) Amount spent during the period (in cash)		
- construction/ acquisition of any asset	-	-
- on purpose other than above	244.33	225.14
(iv) (Shortfall) / Excess at the end of the period	-	-
(v) Total of previous years shortfall	-	-
(vi) Details of related party transactions	NA	NA
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period should be shown separately	NA	NA
(viii) Reason for shortfall:		
For the year ending March 31, 2024, March 31, 2023: No shortfall		
(ix) Nature of CSR activities:		
a) Skill development		
b) Education		
c) Healthcare		
<b>iii. Exceptional items</b>		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Acquisition related costs- Financial, legal and tax due diligence	205.00	-
	205.00	-
<b>21 Income-tax expense</b>		
<b>(a) Amount recognised in statement of profit and loss</b>		
Current tax	3,319.95	2,776.18
Deferred tax attributable to temporary differences	584.43	54.12
<b>Tax expense</b>	<b>3,904.38</b>	<b>2,830.30</b>
<b>(b) Amount recognised in other comprehensive income</b>		
Deferred tax related to items recognised in OCI		
Deferred tax expense/(income) on remeasurements of defined benefit obligations	(3.77)	6.78
<b>Income-tax expense/(income) recognised in OCI</b>	<b>(3.77)</b>	<b>6.78</b>
<b>(c) Reconciliation of effective tax rate:</b>		
Profit before tax	15,868.09	11,351.00
Enacted tax rate in India	25.17%	25.17%
<b>Tax expense at enacted rates</b>	<b>3,993.68</b>	<b>2,856.82</b>
<b>Tax effect of:</b>		
Effect of expenses not deductible for tax purposes	83.26	56.66
Unrecognised deferred taxes	(37.77)	5.67
Effect of tax at special rates	(66.96)	-
Effect of expenses deductible only for tax purpose	(67.83)	(88.85)
<b>Income-tax recognised in the statement of profit and loss</b>	<b>3,904.38</b>	<b>2,830.30</b>
<b>(d) The following table provides the details of income tax assets and income tax liabilities:</b>		
Particulars	As at March 31, 2024	As at March 31, 2023
Non-current tax assets, (net)	21.38	19.31
Current tax liabilities, (net)	(120.70)	(240.90)
	(99.32)	(221.59)
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net income-tax liability at the beginning of the year	(221.59)	(67.73)
Add: On account of business combination (refer note 30)	4.52	-
Less: Current income tax expense	(3,319.95)	(2,776.18)
Add: Tax paid during the year	3,437.70	2,622.32
<b>Net income tax liability as at the end of the year</b>	<b>(99.32)</b>	<b>(221.59)</b>



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 22 Contingent liabilities and commitments (to the extent not provided for)

**Contingent liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debts	-	-

The Group based on its legal assessment do not believe that any of the pending claims/litigations if any with statutory authorities/others require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

**Capital and other commitments**

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	4,199.07	5,067.60

## 23 Earnings per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Earnings for the year</b>		
Net profit for the year attributable to equity shareholders (A)	11,882.53	8,463.16
<b>Shares</b>		
Weighted average number of equity shares for Basic EPS (B)	102,221,031	102,041,263
Add: Effect of dilution:		
- On account of outstanding employee based share based options	297,180	440,844
Weighted average number of equity shares for Diluted EPS (C)	102,518,211	102,482,107
(a) Basic earnings per share of face value of Re. 1 each (A/B)	11.62	8.29
(b) Diluted earnings per share of face value of Re. 1 each (A/C)	11.59	8.26



## Vijaya Diagnostic Centre Limited

## Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**24 Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal amount due to micro and small enterprises	60.45	51.84
- Interest due on the above	-	-
(b) the amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period/year) but without adding the interest specified under this MSMED Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

**Note:** The above disclosures are provided by the Group based on the information available with the Company in respect of the registration status of its vendors/suppliers.

**25 Operating segments****A. Basis for segmentation**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments results are reviewed regularly by the Group's Chairman and Managing Director to make decisions about resources to be allocated to the segments and assess their performance.

The Chief Operating Decision Maker ("CODM") who are the Group's Chairman and Managing Director evaluate the Group's performance and allocates resources based on an analysis of various performance indicators at operational unit level and since there is single operating segment, no segment disclosures of the Group is presented. The Group's operations fall within a single business segment "Diagnostic services".

**B. Major customers**

Revenue from any single customer of the Group's operating segment does not exceed 10% of the total revenue reported.

**26 Purchase commitments towards reagent kits**

The Group has entered into agreements with certain suppliers for purchase of reagents which include the right to use equipment during the life of the agreement in addition to purchase of minimum committed quantities of reagents every year. These agreements are in substance, cost of reagents and services arrangements provided by the supplier on an annual basis and the minimum purchase commitments therein do not result in more than insignificant penalty on termination of the agreement. The cost of reagents which includes the cost of rental of the equipment is recorded as cost of material consumed.



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 27 Employee benefit plans

The Group has following post employment benefit plans:

### (a) Defined contribution plans

Contributions were made to provident fund and Employees' State Insurance in India for the employees of the Group as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any other constructive obligation. The expense recognised during the year in the consolidated statement of profit and loss towards defined contribution plan is Rs. 465.92 (March 31, 2023: Rs. 396.43).

### (b) Defined benefit plan

The Group provides for Gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for Gratuity. The amount of Gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months, restricted to a sum of Rs. 20.

The Gratuity plan of the Parent Company is administered through a Gratuity Scheme with Life Insurance Corporation of India (LIC). The Parent Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. The Gratuity plans of subsidiaries are unfunded.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

### i. Reconciliation of the net defined benefit (asset)/ liability

The amounts recognised in the balance sheet and the movements in the defined benefit obligation and fair value of plan assets over the year are as follows:

Particulars	March 31, 2024			March 31, 2023		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	644.47	372.12	272.35	534.23	279.00	255.23
On account of business combination (refer note 30)	64.20	-	64.20	-	-	-
Current service cost	127.64	-	127.64	105.81	-	105.81
Interest expense/ (income)	41.17	(21.52)	19.65	32.86	(16.43)	16.43
<b>Recognised in statement of profit or loss</b>	<b>233.01</b>	<b>(21.52)</b>	<b>211.49</b>	<b>138.67</b>	<b>16.43</b>	<b>122.24</b>
<i>Remeasurements</i>						
Return on plan assets, excluding amounts included in interest expense	-	7.85	7.85	-	1.49	1.49
Actuarial (gains)/ losses arising from:						
- Changes in demographic assumptions	0.13	-	0.13	-	-	-
- Changes in financial assumptions	4.32	-	4.32	(28.42)	-	(28.42)
- Experience variance (i.e. actual experience vs assumptions)	2.69	-	2.69	(0.01)	-	(0.01)
<b>Re-measurements recognised in other comprehensive income</b>	<b>7.14</b>	<b>7.85</b>	<b>14.99</b>	<b>(28.43)</b>	<b>1.49</b>	<b>(26.94)</b>
Contribution paid to the plan	-	70.00	(70.00)	-	75.59	(75.59)
Benefits paid	-	(16.33)	(16.33)	-	(2.59)	(2.59)
<b>Closing balance</b>	<b>884.62</b>	<b>429.08</b>	<b>412.50</b>	<b>644.47</b>	<b>372.12</b>	<b>272.35</b>

### ii. Plan assets

Plan assets comprises of the following:

Particulars	March 31, 2024	March 31, 2023
Funds managed by Life Insurance Corporation of India	100%	100%

### iii. Actuarial assumptions

Principal actuarial assumptions for defined benefit obligation are as follows:

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.30%
Salary escalation rate	8.00%	8.00%
Attrition rate	10.00% to 15.00%	10.00% to 15.00%

**Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**Salary escalation rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

**Attrition rate:** Represents the Group's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation and current service cost by the amounts shown below:

Particulars	Change in assumption		Impact on defined benefit obligation					
			Increase in assumption			Decrease in assumption		
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023		March 31, 2024	March 31, 2023	
Discount rate	1.00%	1.00%	Decrease by	40.07	31.51	Increase by	44.71	35.10
Salary escalation rate	1.00%	1.00%	Increase by	43.17	34.34	Decrease by	39.80	31.67
Attrition rate	50.00%	50.00%	Decrease by	28.62	20.66	Increase by	39.95	31.22

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the consolidated balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

v. Expected contributions to the plan for the next annual reporting period

Expected contribution to post-employment benefit plans for the next year ending March 31, 2025 is Rs. 461.92 (March 31, 2024: Rs. 343.59)

vi. Maturity profile of the defined benefit liability

The weighted average duration of the defined benefit obligation is 6 years (March 31, 2023: 6 years). The expected maturity analysis of defined benefit obligation on an undiscounted basis is as follows:

Particulars	Less than 1 year	Between 2-5 years	Between 6-10 years	More than 10 Years
March 31, 2024	83.15	323.94	330.51	400.50
March 31, 2023	102.45	276.00	252.83	322.40



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 28 Share based payments

### VDCL Employee Stock Option Plan 2018 "The Plan" or "ESOP 2018"

The shareholders of the Company approved "VDCPL Employee Stock Option Plan 2018 (ESOP 2018)" at the Extraordinary General Meeting held on May 03, 2018 and subsequently it was amended at the extraordinary general meeting held on March 25, 2021 and August 26, 2021 to grant a maximum of 1,625,000 options to specified categories of employees of the Company. Each option granted and vested under ESOP 2018 shall entitle the holder to acquire one equity share of face value of Rs. 1 each of the Company.

The Plan consists of six schemes with various vesting periods from the grant date subject to satisfaction of vesting conditions. The method of settlement under the Plan is by issue of equity shares of the Company and there are no cash settlement alternatives for the employees.

Vested options can be exercised over a period of ten years from the grant date. The Exercise Price is the fair value of the equity share as on the date of the grant or as decided by the Nomination and remuneration committee. The time and performance based options under Scheme 1, 2, 3, 4, 5 and 6 become vested as below:

The time and performance based options under Scheme 1 become eligible on an annual basis at 30%, 30%, 20% and 20% over a period of four years and vesting starts from second year. The time and performance based options under Scheme 2 become eligible on an annual basis at 25%, 25%, 25% and 25% over a period of four years and vesting starts from third year. The time based options under Scheme 3 become eligible on an annual basis at 25%, 25%, 25% and 25% over a period of four years and vesting starts from third year. The time based options under Scheme 4 become eligible on annual basis at 100% and vest on second year from the grant date. The time based options under Scheme 5 become eligible and vest on an annual basis at 25%, 25%, and 50% over a period of three years. The time based options under Scheme 6 become eligible on an annual basis at 0%, 25%, 50% and 25% over a period of four years and The performance based options under Scheme 6 become eligible on an annual basis at 25%, 25%, 25% and 25% over a period of four years.

The fair value of equity share options is estimated at the date of grant using Black- Scholes model, taking into account the terms and conditions upon which the share options were granted. The total compensation cost recognised in the statement of profit and loss is Rs. 93.17 (March 31, 2023; Rs. 71.67).

### (A) Details of options granted under ESOP 2018 by the Board/Nomination and Remuneration committee are as below:

Grant	Grant date	Number of options granted	Number of options outstanding	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
1st Grant	May 10, 2018	463,750	-	220.00	222.10
2nd Grant	October 31, 2018	9,000	-	233.90	233.90
3rd Grant	April 01, 2019	75,780	-	236.90	236.90
4th Grant *	March 25, 2021	866,853	273,450	111.11	111.11
5th Grant	May 29, 2023	251,291	205,172	318.00	376.05

\* The aforementioned shares are post subdivision of equity shares and before bonus issue (refer note 10(a)(v)).

### (B) The movement of stock options during the period (in No's) :

Particulars	No of stock options
As at April 01, 2022	759,956
Forfeited/lapsed during the year before bonus issue (refer note 10(a)(v))	(47,194)
Vested/exercisable during the year	301,694
Exercised during the year	(105,249)
As at March 31, 2023	607,513
Granted during the year	251,291
Vested/exercisable during the year	214,510
Forfeited/lapsed during the year after bonus issue	(105,664)
Exercised during the year	(274,518)
As at March 31, 2024	478,622

### (C) Disclosures as per IND AS 102 for outstanding options \* :

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average exercise price for outstanding options at year end (in Rs.)	199.81	111.11
Weighted average remaining contractual life for outstanding options at year end	7.92 years	7.99 years
Range of exercise prices for outstanding options at year end (in Rs.)	111.11 to 318.00	111.11

\* The aforementioned shares are post subdivision of equity shares and the effect of bonus issue (refer note 10(a)(v)).

### (D) The key assumption used to estimate the fair value of stock option as on grant date:

Grant date	Dividend yield	Risk-free interest rate	Expected life of options granted in years	Expected volatility
May 10, 2018	0%	7.95%	5.5 Years to 7 Years	21.32%
October 31, 2018	0%	7.84%	5.5 Years to 7 Years	24.95%
April 01, 2019	0%	7.15%	5.5 Years to 7 Years	29.52%
March 25, 2021	0%	6.12%	5.5 Years to 7 Years	43.78%
May 29, 2023	0.26%	6.74% to 6.80%	1.5 Years to 4.5 Years	43.91%





Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

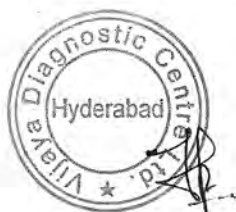
## 29 Related parties

## (a) Details of related parties

Description of relationship	Name of the related parties
Person exercising control	Dr. S Surendranath Reddy (Executive Chairman) (also a KMP)
Key Management Personnel (KMP)	Dr. S Surendranath Reddy (Executive Chairman) S Suprita Reddy (Managing Director & Chief Executive Officer) K Sunil Chandra (Executive Director) S Geetha Reddy (Director)
Independent Directors	Dr. D. Nageshwar Reddy Mr. S. P. Singh Mr. Satyanarayana Murthy Chavali Dr. Manjula Anagani
Enterprise where KMP has Significance Influence	Vijaya Hospitals Private Limited Summit Nutraceuticals Private Limited Kshetra Agritech Private Limited Trikona Pharmaceuticals Private Limited Trikona Holdings LLP Vijaya Holdings India LLP S Square Properties LLP Park Health Systems Private Limited Asian Institute of Gastroenterology Private Limited Asian Institute Of Nephrology And Urology (Vizag) Private Limited Asian Institute Of Nephrology And Urology Private Limited IFFCO Kisan SEZ Limited
Relative of KMP	B Vishnu Priya (Wife of K Sunil Chandra)
Controlled Trust	Vijaya Diagnostic Charitable Trust

## (b) Details of transactions during the year #

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Rent paid</b>		
Dr. S Surendranath Reddy	470.31	457.94
K Sunil Chandra	107.53	107.96
S Suprita Reddy	102.61	101.18
S Geetha Reddy	428.63	419.90
B Vishnu Priya	1.91	1.91
Vijaya Hospitals Private Limited	120.82	120.82
<b>Rental deposits given, net</b>		
Dr. S Surendranath Reddy	-	(0.80)
K Sunil Chandra	-	(1.19)
S Geetha Reddy	-	1.50
<b>Purchase of Property, plant and equipment</b>		
Asian Institute of Gastroenterology Private Limited	-	18.29
<b>Sale of Property, plant and equipment</b>		
Park Health Systems Private Limited	-	11.37
<b>Sale of services</b>		
Park Health Systems Private Limited	76.49	68.33
Asian Institute Of Nephrology And Urology (Vizag) Private Limited	0.17	-
Asian Institute Of Nephrology And Urology Private Limited	0.92	-



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## 29 Related parties (continued)

## (b) Details of transactions during the year (continued)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Remuneration to KMP</b>		
Dr. S Surendranath Reddy	200.00	200.00
K Sunil Chandra	100.00	100.00
S Suprita Reddy	275.00	275.00
<b>Independent directors sitting fee/commission</b>		
Dr. D Nageshwar Reddy	12.00	12.00
Mr. S P Singh	12.00	12.00
Mr. Satyanarayana Murthy Chavali	12.00	12.00
Dr. Manjula Anagani	12.00	12.00

## (c) Amounts due (to)/ from related parties

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Rent payable</b>		
Dr. S Surendranath Reddy	36.10	-
S Suprita Reddy	7.89	-
K Sunil Chandra	8.30	-
Vijaya Hospitals Private Limited	9.22	-
S Geetha Reddy	32.89	0.33
B Vishnu Priya	0.16	-
<b>Rental deposits</b>		
Vijaya Hospitals Pvt. Ltd.	34.95	34.95
Dr. S Surendranath Reddy	113.35	113.35
S Suprita Reddy	38.15	38.15
K Sunil Chandra	31.81	31.81
S Geetha Reddy	129.82	131.67
B Vishnu Priya	0.72	0.72
<b>Trade receivables</b>		
Park Health Systems Private Limited	7.49	7.05
Asian Institute of Nephrology and Urology (Vizag) Private Limited	0.08	-
Asian Institute of Nephrology and Urology Private Limited	0.25	-
<b>Remuneration payable to Independent Directors</b>		
Dr. D Nageshwar Reddy	-	2.70
Mr. S P Singh	-	2.70
Mr. Satyanarayana Murthy Chavali	-	2.70
Dr. Manjula Anagani	-	2.70

## Note:

(i) All transactions with these related parties are at arm's length basis and resulting outstanding receivables and payables including financial assets and financial liabilities balances are settled in cash. None of the balances are secured. (All the amounts of transactions and balances disclosed in this note are gross and undiscounted.)

(ii) # Amounts paid as dividends to promoters and their relatives in the capacity of shareholders are not considered as related party transactions.



Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

### 30. Acquisition of Subsidiary

On December 21, 2023, the Company has acquired 100% equity stake in 'PH Diagnostic Centre Private Limited' (PH). The purchase price of acquired entity on December 21, 2023 had been allocated based on fair values at acquisition date, for various assets and liabilities acquired under Share purchase agreement ('SPA'). The fair values of assets and liabilities acquired have been determined in accordance with IndAS 103 - 'Business Combinations'.

#### A. Fair value of consideration transferred

Particulars	Amount (Rs.)
Cash	14,750.00
<b>Total consideration</b>	<b>14,750.00</b>

#### B. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

Particulars	Note	Amount (Rs.)
<b>Assets</b>		
Property, plant and equipment	4 (a)	1,269.50
Right-of-use assets	4 (c)	922.88
Other financial assets	6 (e)	105.98
Deferred tax assets, net	7	47.62
Other tax assets	21	35.26
Other assets	9	57.36
Inventories	8	82.99
Trade receivables	6 (b)	296.13
Cash and Cash equivalents	6 (c)	162.67
Other Bank balances	6 (d)	4.08
<b>Liabilities</b>		
Lease liabilities	4 (c)	(960.56)
Trade payables	11 (a)	(183.47)
Current tax liabilities	21	(30.74)
Other liabilities	12 & 13	(159.57)
<b>Total identifiable net assets acquired</b>		<b>1,650.13</b>

#### C. Amounts recognised as Goodwill and other intangibles

Particulars	Amount (Rs.)
Fair value of consideration transferred	14,750.00
Fair value of net assets acquired	1,650.13
<b>Goodwill</b>	<b>11,386.74</b>
<b>Brand</b>	<b>1,395.26</b>
<b>Non-compete</b>	<b>317.87</b>

The goodwill is attributable mainly to the synergies, expected to be achieved by entering into new geography i.e., Pune and Maharashtra, explore and maximise business synergies between PH and the parent company.

#### D. Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Property, plant and equipment	<i>Market comparison technique and cost technique:</i> The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangibles	<i>Relief-from-royalty method and with-without method:</i> Brand value is arrived using relief-from-royalty method by considering a five year projection of discounted estimates of net revenues, adjusted with the present value of tax amortization benefits on possible future amortizations of the brand. For valuing non-compete fees, with-without method has been used.

#### E. Summary of post acquisition revenue and profit of the acquired entities included in the consolidated statement of profit and loss for the year ended March 31, 2024

Particulars	Amount
Revenues	1,305.90
Net profit considered in the consolidated statement of profit and loss	273.82

F. The consolidated revenue and consolidated net profit of the Group for the current reporting period had the acquisition taken place at the beginning of the accounting period.

Particulars	Amount
Consolidated revenue from operations	57,914.62
Consolidated profit for the year	11,989.70

#### F. For acquired receivables

Fair value of the acquired trade receivables at the date of acquisition is Rs. 296.13 lakhs. The trade receivables comprise gross contractual amounts due of Rs. 296.13 lakhs, of which Rs. Nil was expected to be uncollectable at the date of acquisition.



Vijaya Diagnostic Centre Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

### 31 Capital management

The Group's policy is to maintain a stable and strong capital structure with a focus on equity so as to provide returns to shareholders, benefits to other stakeholders, creditors and to sustain future development and growth of the business. In order to maintain the capital structure, the Group monitors the return on capital as well as debt to total equity ratio. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of debt to total equity, debt includes its long-term and short-term borrowings. Total equity comprises of issued share capital and all other equity reserves.

Particulars	March 31, 2024	March 31, 2023
Total debt	-	-
Total equity	65,991.12	54,663.08
Debt equity ratio	-	-

The Group's bank balances as at March 31, 2024 is Rs. 7,475.35 (March 31, 2023: Rs. 11,681.77) which are significantly higher than the debt outstanding of Rs. Nil (March 31, 2023: Rs. Nil).

### 32 Financial instruments

#### A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Note	March 31, 2024		March 31, 2023		Fair value level
		Amortised Cost	Fair value	Amortised Cost	Fair value	
<b>Financial assets</b>						
<b>Investments</b>						
- in mutual funds - FVTPL	6 (a)	-	10,912.98	-	12,907.13	Level 1
- in equity instruments - FVOCI	6 (a)	-	4.00	-	4.00	Level 3
- in bonds - FVTPL	6 (a)	-	-	-	992.20	Level 1
Trade receivables	6 (b)	1,623.97	-	948.87	-	
Cash and cash equivalents	6 (c)	2,224.77	-	2,417.69	-	
Other bank balances	6 (d)	5,082.99	-	9,224.54	-	
Other financial assets	6 (e)	1,442.37	-	1,261.96	-	
<b>Total financial assets</b>		<b>10,374.10</b>	<b>10,916.98</b>	<b>13,853.06</b>	<b>13,903.33</b>	
<b>Financial liabilities</b>						
Lease liabilities	4 (c)	25,918.23	-	24,755.90	-	
Trade payables	11 (a)	3,294.97	-	2,771.48	-	
Other financial liabilities	11 (b)	1,139.85	-	1,398.87	-	
<b>Total financial liabilities</b>		<b>30,353.05</b>	<b>-</b>	<b>28,926.25</b>	<b>-</b>	

The fair value of trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, borrowings, trade payables and other financial liabilities approximate their carrying amount largely due to short-term nature of these instruments. Investments in mutual funds, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

#### B. Measurement of fair values

##### i. Valuation techniques and significant unobservable inputs

Investment in equity instruments: The fair value of investment in equity instruments approximate to its carrying value. Hence, no fair value gain/ (loss) is accounted in OCI.

Name of financial asset	Valuation technique	Significant unobservable inputs
Investment in unquoted equity shares	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow to the Group arising from the investments in financial assets	Long term, growth rate, Discount rate, Revenue multiple

##### ii. Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in the current financial year and no transfers in either direction in the last financial year.

##### iii. Level 3 fair values

Particulars	FVOCI equity securities	
	March 31, 2024	March 31, 2023
Balance as at the beginning of the year	4.00	4.00
Investment made	-	-
Net change in fair value (Unrealised)	-	-
<b>Balance as at the end of the year</b>	<b>4.00</b>	<b>4.00</b>



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

### 32 Financial instruments - fair valuation and risk management

#### C. Financial Risk Management

The Group activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade receivables, security deposits, bank deposits and loans	Ageing analysis. Credit score of customers/ entities	Monitoring the credit limits of customers and obtaining security deposits.
Liquidity Risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits and investment in mutual funds.

The Group's risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

#### i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans.

The Group has no significant concentration of credit risk with any counterparty.

#### Trade receivables and loans

Customer credit risk is managed by the respective department subject to Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Group. Outstanding customer receivables are regularly monitored.

#### Expected credit loss (ECL) assessment for individual customers:

As per simplified approach, the Group makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date.

Trade receivables	As at March 31, 2024				As at March 31, 2023			
	ECL Rate	Gross amount	ECL amount	Net amount	ECL Rate	Gross amount	ECL amount	Net amount
below 90 days past due	0.63%	697.64	4.41	693.23	3.02%	671.16	20.29	650.87
91 to 180 days past due	1.93%	487.55	9.43	478.12	7.12%	238.62	17.00	221.62
181 to 270 days past due	3.94%	319.14	12.57	306.57	10.77%	44.10	4.75	39.35
271 to 360 days past due	7.87%	102.52	8.07	94.45	20.66%	17.82	3.68	14.14
361 to 450 days past due	13.19%	31.99	4.22	27.77	25.86%	20.42	5.28	15.14
451 to 540 days past due	16.02%	7.18	1.15	6.03	63.08%	11.01	6.95	4.06
541 to 630 days past due	19.56%	16.82	3.29	13.53	75.68%	11.56	8.75	2.81
631 to 720 days past due	45.88%	7.89	3.62	4.27	89.66%	8.58	7.70	0.88
above 720 days past due	100.00%	174.07	174.07	-	100.00%	101.70	101.70	-
<b>Total</b>		<b>1,844.80</b>	<b>220.83</b>	<b>1,623.97</b>		<b>1,124.97</b>	<b>176.10</b>	<b>948.87</b>

The ageing analysis of the receivables has been considered from the date the invoice falls due:

Particulars	Less than 180 days	More than 180 days	Provision	Total
March 31, 2024	1,184.54	660.26	(220.83)	1,623.97
March 31, 2023	905.00	219.97	(176.10)	948.87

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

#### The movement in the allowance for impairment in respect of trade receivables is as follows:

Balance at the beginning of the year  
Add: Allowance measured at lifetime expected credit loss  
Less: Amounts written off

Balance at the end of the year

March 31, 2024	March 31, 2023
176.10	152.82
48.00	23.28
(3.27)	-
<b>220.83</b>	<b>176.10</b>

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by credit rating agencies. Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in mutual funds.

The security deposit pertains to rent deposit given to lessors. The Company does not expect any losses from non-performance by these counter-parties.



Vijaya Diagnostic Centre Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

## C. Financial risk management (continued)

## ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The finance team monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash outflows on trade payables and other financial liabilities and any excess/short liquidity is managed in the form of current borrowings, bank deposits and investment in mutual funds as per the approved frame work.

*Exposure to liquidity risk*

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2024	Carrying amount	Total	Contractual cash flows				
			6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Lease liabilities	25,918.23	40,173.64	1,885.05	1,926.89	3,733.61	9,283.33	23,344.76
Trade payables	3,294.97	3,294.97	3,294.97	-	-	-	-
Capital creditors	305.07	305.07	305.07	-	-	-	-
Other financial liabilities	834.78	834.78	834.78	-	-	-	-
	<b>30,353.05</b>	<b>44,608.46</b>	<b>6,319.87</b>	<b>1,926.89</b>	<b>3,733.61</b>	<b>9,283.33</b>	<b>23,344.76</b>

March 31, 2023	Carrying amount	Total	Contractual cash flows				
			6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Lease liabilities	24,755.90	40,491.46	1,747.11	1,754.69	3,641.09	9,325.27	24,023.30
Trade payables	2,771.48	2,771.48	2,771.48	-	-	-	-
Capital creditors	768.36	768.36	768.36	-	-	-	-
Other financial liabilities	834.07	834.07	834.07	-	-	-	-
	<b>29,129.81</b>	<b>44,865.37</b>	<b>6,121.02</b>	<b>1,754.69</b>	<b>3,641.09</b>	<b>9,325.27</b>	<b>24,023.30</b>

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.



**Vijaya Diagnostic Centre Limited**  
**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**33 Additional information as required under para 2 of General Instruction for the preparation of Consolidated Financial Statements of Schedule III to the Act.**

S No	Name of Company	March 31, 2024					
		Net assets, i.e., total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income /	
		Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated net assets
<b>Parent</b>	<b>Vijaya Diagnostic Centre Limited</b>	65,332.11	99.00%	11,460.20	95.79%	(12.44)	110.87%
<b>Subsidiaries (including step down subsidiaries) *</b>							
1	Medinova Diagnostic Services Limited	(206.60)	(0.31)%	75.27	0.63%	1.22	(10.87)%
2	VDC Diagnostic (Karnataka) LLP	460.72	0.70%	25.09	0.21%	-	0.00%
3	Medinova Millennium MRI Services LLP	190.94	0.29%	124.61	1.04%	-	0.00%
4	P H Diagnostic Centre Private Limited	786.34	1.19%	273.82	2.29%	-	0.00%
	<b>Non-controlling interest in all subsidiaries</b>	<b>271.78</b>	<b>0.41%</b>	<b>81.18</b>	<b>0.68%</b>	<b>0.46</b>	<b>(4.10)%</b>
<b>Total</b>		<b>66,835.29</b>	<b>101.28%</b>	<b>12,040.17</b>	<b>100.64%</b>	<b>(10.76)</b>	<b>95.90%</b>
	Consolidation adjustments	(844.17)	(1.28)%	(76.46)	(0.64)%	(0.46)	4.10%
<b>Net amount</b>		<b>65,991.12</b>	<b>100.00%</b>	<b>11,963.71</b>	<b>100.00%</b>	<b>(11.22)</b>	<b>100.00%</b>

\* The above disclosure do not include the financial information of Doctorislab Medical Services Private Limited and Namrata Diagnostic Centre Private Limited as these have been struck off on April 06, 2024 and as at March 31, 2024, these do not contain any financial information which is required to be disclosed

S No	Name of Company	March 31, 2023					
		Net assets, i.e., total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income /	
		Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated net assets
<b>Parent</b>	<b>Vijaya Diagnostic Centre Limited</b>	54,508.80	99.72%	8,323.39	97.68%	19.39	96.18%
<b>Subsidiaries (including step down subsidiaries)</b>							
1	Medinova Diagnostic Services Limited	(283.09)	(0.52)%	63.00	0.74%	0.77	3.84%
2	VDC Diagnostic (Karnataka) LLP	435.63	0.80%	22.53	0.26%	-	0.00%
3	Doctorislab Diagnostic Centre Private Limited	125.37	0.23%	8.48	0.10%	-	0.00%
4	Medinova Millennium MRI Services LLP	66.33	0.12%	103.53	1.22%	-	0.00%
5	Namrata Diagnostic Centre Private Limited	(125.16)	(0.23)%	(0.22)	0.00%	-	0.00%
	<b>Non-controlling interest in all subsidiaries</b>	<b>190.14</b>	<b>0.35%</b>	<b>57.54</b>	<b>0.68%</b>	<b>0.29</b>	<b>1.44%</b>
<b>Total</b>		<b>54,918.02</b>	<b>100.47%</b>	<b>8,578.25</b>	<b>100.68%</b>	<b>20.45</b>	<b>101.46%</b>
	Consolidation adjustments	(254.94)	(0.47)%	(57.55)	(0.68)%	(0.29)	(1.46)%
<b>Net amount</b>		<b>54,663.08</b>	<b>100.00%</b>	<b>8,520.70</b>	<b>100.00%</b>	<b>20.16</b>	<b>100.00%</b>

**Note:**

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impacts on elimination of inter company transactions/ profits/ Consolidation adjustments have been disclosed separately. Based on the group structure, the Management is of the view that the above disclosure is appropriate under requirements of the Act.





**Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)**  
**Notes to the Consolidated Financial Statements for the year ended March 31, 2024**  
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

**34 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act, 2013**

- i. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii. The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.
- iii. The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- iv. The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- v. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (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
- vi. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii. The Group has not entered into any 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).
- viii. The Group has not been declared as wilful defaulter by any bank or financial institution or other lender.
- xi. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**35** The Parent has received a letter dated July 5, 2021, March 14, 2022 and September 16, 2022 under section 37 of the Foreign Exchange Management Act, 1999 read with section 133(6) of the Income Tax Act, 1961 from the Directorate of Enforcement, Government of India ("ED") requesting certain information for the purpose of their investigation. The Parent has responded to the ED letter by letter dated August 5, 2021, March 31, 2022 and September 29, 2022 by providing the information requested for. The letter has only sought certain information, which has been complied with, and it is not a show cause notice or demand letter at this stage, and there is no impact to the financial statements.

**36 Subsequent events**

- (a) The wholly owned subsidiaries of the Group namely Doctorslab Medical Services Private Limited and Namrata Diagnostic Centre Private Limited, based on the application filed by the respective companies have been struck off by the Registrar of Companies (ROC) on April 06, 2024, since there were no operations in these companies. There is no impact on account of this in the financial statements.
- (b) Subsequent to March 31, 2024, the Board of Directors of the Company at its meeting held on 08 May 2024 has recommended a final dividend of Re. 1/- per equity share which is subject to approval at the ensuing Annual General Meeting of the Company and hence was not recognised as a liability.

As per our report of even date attached.  
 For **B S R and Co**  
 Chartered Accountants  
 ICAI Firm registration number: 128510W

**AMIT KUMAR** Digitally signed by  
**BAJAJ** AMIT KUMAR BAJAJ  
 Date: 2024.05.08  
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**Amit Kumar Bajaj**

Partner

Membership Number: 218685

Place: Hyderabad  
 Date: May 08, 2024

For and on behalf of the Board of Directors of  
**Vijaya Diagnostic Centre Limited**  
 CIN: L85195TG2002PLC039075

**SURA** Digitally signed by  
**SURENDRAN** SURA  
**ATH REDDY** SURENDRANATH  
 REDDY  
 Date: 2024.05.08  
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**Dr. S. Surendranath Reddy**  
 Executive Chairman  
 DIN: 00108599

**SUNIL** Digitally signed by  
**CHANDRA** SUNIL CHANDRA  
**KONDAPALLY** KONDAPALLY  
 Date: 2024.05.08  
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**K. Sunil Chandra**  
 Executive Director  
 DIN: 01409332

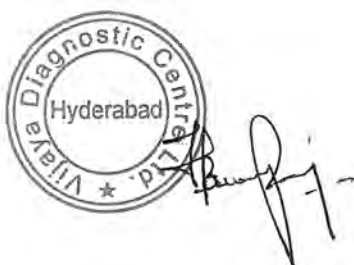
Place: Hyderabad  
 Date: May 08, 2024

**SUPRITA** Digitally signed  
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**REDDY** SURA REDDY  
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**S. Suprita Reddy**  
 Managing Director  
 DIN: 00263618

**Narasimha Raju K.A**  
 Chief Financial Officer

**HANSRAJ** Digitally signed by  
**SINGH** HANSRAJ SINGH  
 Date: 2024.05.08  
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**Hansraj Singh Rajput**  
 Company Secretary  
 Membership No: F11438



**B S R and Co**

Chartered Accountants

Salarpuria Knowledge City, Orwell  
B Wing, 6th Floor, Unit-3, Sy No. 83/1  
Plot No. 02, Raidurg  
Hyderabad – 500 081, India  
Telephone + 91 407 182 2000  
Fax + 91 407 182 2399

**Limited Review Report on unaudited standalone financial results of Vijaya Diagnostic Centre Limited for the quarter ended 30 September 2024 and year to date results for the period from 01 April 2024 to 30 September 2024 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of Vijaya Diagnostic Centre Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Vijaya Diagnostic Centre Limited (hereinafter referred to as "the Company") for the quarter ended 30 September 2024 and year to date results for the period from 01 April 2024 to 30 September 2024 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For B S R and Co**

Chartered Accountants

Firm's Registration No.:128510W

**AMIT  
KUMAR  
BAJAJ**

Digitally signed by  
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Date: 2024.11.07  
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**Amit Kumar Bajaj**

Partner

Hyderabad

07 November 2024

Membership No.: 218685

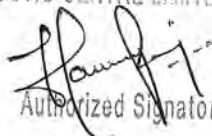
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Principal Office:

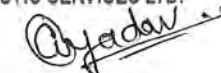
14th Floor, Central B Wing and North C Wing, Nescio IT Park 4, Nescio Center,  
Western Express Highway, Goregaon (East), Mumbai - 400063

Page 1 of 1

For VIJAYA DIAGNOSTIC CENTRE LIMITED

  
Authorized Signatory

For MEDINOVA DIAGNOSTIC SERVICES LTD.

  
Authorized Signatory


**VIJAYA  
DIAGNOSTIC  
CENTRE**

Vijaya Diagnostic Centre Limited  
CIN: L85195TG2002PLC039075

Regd. Office: No. 6-3-883/F, FPA Building, Near Topaz Building, Punjagutta, Hyderabad-500082, Telangana, India  
Phone: 940-23420422, Website: www.vijayadiagnostic.com, Email: ir@vijayadiagnostic.in

Statement of Unaudited Standalone Financial Results for the quarter and year-to-date ended 30 September 2024

(Rs. in Lakhs except as stated)

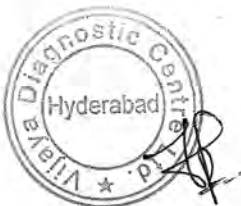
Sl. No.	Particulars	Quarter ended			Year-to-date ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	(a) Revenue from operations	16,860.65	14,242.32	13,612.71	31,102.97	25,485.29	52,502.27
	(b) Other income	480.36	382.53	691.56	862.89	1,277.98	2,143.89
	<b>Total income</b>	<b>17,341.01</b>	<b>14,624.85</b>	<b>14,304.27</b>	<b>31,965.86</b>	<b>26,763.27</b>	<b>54,646.16</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	2,132.97	1,715.22	1,606.20	3,848.19	3,009.51	6,284.97
	(b) Employee benefits expense	2,538.18	2,479.29	2,134.68	5,017.47	4,167.02	8,646.48
	(c) Finance costs	606.86	604.77	584.01	1,211.63	1,171.10	2,370.82
	(d) Depreciation and amortisation expense	1,536.69	1,518.87	1,365.52	3,055.56	2,609.58	5,540.59
	(e) Other expenses	5,173.45	4,475.61	4,234.78	9,649.06	7,922.83	16,351.13
	<b>Total expenses</b>	<b>11,988.15</b>	<b>10,793.76</b>	<b>9,925.19</b>	<b>22,781.91</b>	<b>18,880.04</b>	<b>39,193.99</b>
3	<b>Profit before tax and exceptional items [1-2]</b>	<b>5,352.86</b>	<b>3,831.09</b>	<b>4,379.08</b>	<b>9,183.95</b>	<b>7,883.23</b>	<b>15,452.17</b>
4	<b>Exceptional items (Refer Note 4)</b>	-	-	-	-	-	205.00
5	<b>Profit before tax [3-4]</b>	<b>5,352.86</b>	<b>3,831.09</b>	<b>4,379.08</b>	<b>9,183.95</b>	<b>7,883.23</b>	<b>15,247.17</b>
6	<b>Tax expense</b>						
	(a) Current tax	1,205.00	869.00	861.93	2,074.00	1,571.93	3,209.93
	(b) Deferred tax	198.06	75.78	232.25	273.84	426.65	577.04
	<b>Total tax expense</b>	<b>1,403.06</b>	<b>944.78</b>	<b>1,094.18</b>	<b>2,347.84</b>	<b>1,998.58</b>	<b>3,786.97</b>
7	<b>Profit for the period/year [5 - 6]</b>	<b>3,949.80</b>	<b>2,886.31</b>	<b>3,284.90</b>	<b>6,836.11</b>	<b>5,884.65</b>	<b>11,460.20</b>
8	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit or loss						
	(a) Remeasurement of defined benefit liability / (asset)	(4.57)	(4.57)	6.47	(9.14)	12.95	(16.62)
	(b) Income-tax relating to above item	1.15	1.15	(1.63)	2.30	(3.26)	4.18
	<b>Other comprehensive income for the period/year (net of tax)</b>	<b>(3.42)</b>	<b>(3.42)</b>	<b>4.84</b>	<b>(6.84)</b>	<b>9.69</b>	<b>(12.44)</b>
9	<b>Total comprehensive income for the period/year [7 + 8]</b>	<b>3,946.38</b>	<b>2,882.89</b>	<b>3,289.74</b>	<b>6,829.27</b>	<b>5,894.34</b>	<b>11,447.76</b>
10	<b>Paid-up equity share capital (Face value of Re. 1 each) (Refer Note 5)</b>	1,026.22	1,025.97	1,022.67	1,026.22	1,022.67	1,023.46
11	<b>Other equity</b>						64,308.65
12	<b>Earnings per equity share (face value of Re. 1 each fully paid up) (Refer Note 5)</b>	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	- Basic (in Rs.)	3.85	2.82	3.21	6.67	5.76	11.21
	- Diluted (in Rs.)	3.84	2.81	3.20	6.65	5.74	11.18

**Notes:**

- The above standalone financial results of Vijaya Diagnostic Centre Limited ("the Company") have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the relevant rules thereunder, other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended).
- The above standalone financial results were reviewed by the audit committee and approved by the Board of Directors in their respective meetings held on 07 November 2024. The statutory auditors have carried out limited review of the above results for the quarter and year-to-date ended 30 September 2024. An unmodified report has been issued by them thereon.
- The Company has one reportable segment (viz. Diagnostic services) as per the requirements of Ind AS 108 "Operating Segments".
- During the previous year, the Company incurred an amount of Rs. 205 lakhs for the evaluation of various acquisitions towards financial, legal and tax due diligence and for market study on the diagnostic business in target geographies. These expenses had been categorised as exceptional items as these are not incurred in the ordinary course of business of operations of the Company.
- During the quarter and year-to-date ended 30 September 2024, the Company has issued 24,820 and 2,76,577 equity shares of face value of Re. 1/- each respectively on exercise of employee stock options.
- The Board of Directors of the Company in their meeting held on 26 June 2024, have considered and approved the proposed Scheme of Amalgamation ("Scheme") wherein Medinova Diagnostic Services Limited (Subsidiary Company) would merge into the Company with effect from 01 April 2024 ("the Appointed Date") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and other rules and regulations framed thereunder ("Scheme"). The aforesaid Scheme is subject to the approval of Stock Exchanges, SEBI, Shareholders and Creditors of the respective companies and National Company Law Tribunal, and such other approvals, permissions, and sanctions of regulatory and other authorities as may be necessary.
- The Board of Directors of the Company had proposed final dividend of Rs. 1 per equity share (Face value of Rs. 1 each) for the year ended 31 March 2024 at their meeting held on 08 May 2024. The same was approved by the shareholders in the Annual General Meeting of the Company held on 06 September 2024 and was paid on 13 September 2024.
- The results of the Company are available for investors at www.vijayadiagnostic.com, www.nseindia.com and www.bseindia.com

for and on behalf of the Board of Directors of  
Vijaya Diagnostic Centre Limited

SURA  
SURENDRANA  
TH REDDY  
Dr. S. Surendranath Reddy  
Executive Chairman  
DIN Number: 00108599

Place: Hyderabad  
Date: 07 November 2024


Standalone Balance Sheet		(Rs. in Lakhs except as stated)	
Sl. No.	Particulars	As at 30 September 2024 Unaudited	As at 31 March 2024 Audited
	<b>ASSETS</b>		
<b>I</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	38,568.55	35,276.27
	(b) Capital work-in-progress	1,609.72	820.26
	(c) Right-of-use assets	22,513.97	21,504.72
	(d) Investment property	1,095.26	1,097.12
	(e) Other intangible assets	349.26	364.47
	(f) Intangible assets under development	88.05	42.48
	(g) Financial assets		
	(i) Investments	14,450.35	14,450.35
	(ii) Loans	1,586.00	1,286.00
	(iii) Other financial assets	1,209.29	938.26
	(h) Deferred tax assets (net)	-	196.69
	(i) Other tax assets (net)	3.73	3.73
	(j) Other non-current assets	623.76	618.73
	<b>Total non-current assets</b>	<b>82,097.94</b>	<b>76,599.08</b>
<b>II</b>	<b>Current assets</b>		
	(a) Inventories	555.73	440.53
	(b) Financial assets		
	(i) Investments	15,757.21	10,912.98
	(ii) Trade receivables	994.01	1,283.95
	(iii) Cash and cash equivalents	1,120.61	1,556.38
	(iv) Bank balances other than (iii) above	3,245.25	4,644.91
	(v) Other financial assets	3,900.41	339.70
	(c) Other current assets	452.21	436.23
	<b>Total current assets</b>	<b>26,025.43</b>	<b>19,614.68</b>
	<b>TOTAL ASSETS ( I + II )</b>	<b>1,08,123.37</b>	<b>96,213.76</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>Equity</b>		
	(a) Equity share capital	1,026.22	1,023.46
	(b) Other equity	70,582.72	64,308.65
	<b>Total equity</b>	<b>71,608.94</b>	<b>65,332.11</b>
	<b>Liabilities</b>		
<b>II</b>	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Lease liabilities	24,585.23	23,267.78
	(b) Provisions	1,105.60	978.81
	(c) Deferred tax liability (net)	74.85	-
	(d) Other non-current liabilities	31.34	34.17
	<b>Total non-current liabilities</b>	<b>25,797.02</b>	<b>24,280.76</b>
<b>III</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Lease liabilities	1,892.83	1,751.35
	(ii) Trade payables		
	- Total outstanding dues of micro enterprises and small enterprises; and	51.00	56.75
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,466.67	3,004.21
	(iii) Other financial liabilities	4,097.76	1,057.20
	(b) Other current liabilities	450.64	375.37
	(c) Provisions	278.72	257.33
	(d) Current tax liabilities (net)	479.79	98.68
	<b>Total current liabilities</b>	<b>10,717.41</b>	<b>6,600.89</b>
	<b>Total liabilities ( II + III )</b>	<b>36,514.43</b>	<b>30,881.65</b>
	<b>TOTAL EQUITY AND LIABILITIES ( I + II + III )</b>	<b>1,08,123.37</b>	<b>96,213.76</b>
Place: Hyderabad Date: 07 November 2024		<i>for and on behalf of the Board of Directors of Vijaya Diagnostic Centre Limited</i> SURA <small>Digitally signed by SURA</small> SURENDRANATH <small>SURENDRANATH 2024.11.07 12:05:30</small> REDDY <small>+05'30'</small> <b>Dr. S. Surendranath Reddy</b> Executive Chairman DIN Number: 00108599	



Standalone Statement of Cash flows			
(Rs. in Lakhs except as stated)			
	Particulars	For the period ended 30 September 2024	For the period ended 30 September 2023
(A)	<b>Cash flows from operating activities</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	Profit before tax	9,183.95	7,883.23
	Adjustments for:		
	Depreciation and amortisation expense	3,055.56	2,609.58
	Net gain on sale/retirement of property, plant and equipment	(19.36)	(163.42)
	Interest income under the effective interest method	(266.79)	(329.08)
	Rental income from investment property	(20.00)	(18.00)
	Profit on sale of mutual fund investments (net)	(605.75)	(201.30)
	Loss allowance for trade receivables	-	20.00
	Equity-settled share-based payment transactions (ESOP)	85.00	43.78
	Fair value gain on investments measured at FVTPL	57.17	(550.65)
	Finance costs	1,101.14	1,079.69
	Liabilities no longer required written back	-	(5.49)
	<b>Operating profit before working capital adjustments</b>	<b>12,570.92</b>	<b>10,368.34</b>
	Working capital adjustments:		
(B)	Decrease/ (Increase) in trade receivables	289.94	(98.30)
	(Increase) in inventories	(115.20)	(162.74)
	(Increase) in other financial assets	19.50	19.72
	(Increase) in other assets and deposits	(264.38)	(39.42)
	Increase in trade payables	456.71	566.88
	Increase / (Decrease) in provisions and other liabilities	180.37	(9.44)
	Increase in other financial liabilities	143.71	168.30
	<b>Cash generated from operating activities</b>	<b>13,281.57</b>	<b>10,813.34</b>
	Income tax paid, net	(1,692.89)	(1,495.82)
	<b>Net cash flow generated from operating activities</b>	<b>11,588.68</b>	<b>9,317.52</b>
	<b>Cash flows from investing activities</b>		
	Acquisition of property, plant and equipment, capital work-in-progress (CWIP), other intangible assets and intangible assets under development (including capital advances and capital creditors)	(2,957.33)	(5,016.07)
	Proceeds from sale of property, plant and equipment	27.53	182.47
	Investment in liquid mutual funds/bonds, net	(4,295.65)	(4,868.13)
	Deposits redeemed/(made) having original maturity of more than 3 months, net	(2,115.06)	1,268.53
	Loans given to subsidiaries	(300.00)	-
	Rental income from investment property	20.00	18.00
	Interest received	133.02	474.85
	<b>Net cash used in investing activities</b>	<b>(9,467.43)</b>	<b>(7,940.35)</b>
(C)	<b>Cash flows from financing activities</b>		
	Payment of lease liabilities	(1,919.59)	(1,779.38)
	Proceeds from the exercise of employee stock options	388.80	218.13
	Dividend paid	(1,026.23)	-
	<b>Net cash used in financing activities</b>	<b>(2,557.02)</b>	<b>(1,561.25)</b>
	<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(435.77)</b>	<b>(184.08)</b>
	Cash and cash equivalents at the beginning of the period	1,556.38	2,328.97
	<b>Cash and cash equivalents at the end of the period</b>	<b>1,120.61</b>	<b>2,144.89</b>
	Cash and cash equivalents as per above comprise of the following:		
	Particulars	As at 30 September 2024	As at 30 September 2023
	Cash on hand	88.21	62.28
	Balances with banks		
	- in current accounts	1,031.69	1,160.32
	- unpaid dividend accounts	0.71	922.29
	<b>Total cash and cash equivalents</b>	<b>1,120.61</b>	<b>2,144.89</b>
<p>for and on behalf of the Board of Directors of Vijaya Diagnostic Centre Limited</p> <p>SURA Digitally signed by SURA SURENDRANATH H REDDY Date: 2024.11.07 12:09:13 10000</p> <p>Dr. S. Surendranath Reddy Executive Chairman DIN Number: 00108599</p> <p>Place: Hyderabad Date: 07 November 2024</p>			



**B S R and Co**

Chartered Accountants

Salarpuria Knowledge City, Orwell  
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**Limited Review Report on unaudited consolidated financial results of Vijaya Diagnostic Centre Limited for the quarter ended 30 September 2024 and year to date results for the period from 01 April 2024 to 30 September 2024 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of Vijaya Diagnostic Centre Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Vijaya Diagnostic Centre Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2024 and year to date results for the period from 01 April 2024 to 30 September 2024 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

**Parent**

- a. Vijaya Diagnostic Centre Limited

**Subsidiaries**

- b. Medinova Diagnostic Services Limited
- c. VDC Diagnostic (Karnataka) LLP
- d. Medinova Millenium MRI Services LLP
- e. P H Diagnostic Centre Private Limited
- f. Namrata Diagnostic Centre Private Limited (Struck off on 06 April 2024)
- g. Doctorslab Medical Services Private Limited (Struck off on 06 April 2024)



Principal Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park A, Nesco Center,  
Western Express Highway, Goregaon (East), Mumbai - 400063



Page 1 of 2



B S R and Co

## Limited Review Report (Continued)

## Vijaya Diagnostic Centre Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of 3 Subsidiaries included in the Statement, whose interim financial results reflect total assets (before consolidation adjustments) of Rs. 6,468.89 lakhs as at 30 September 2024 and total revenues (before consolidation adjustments) of Rs. 1,475.68 lakhs and Rs. 2,864.99 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 279.17 lakhs and Rs. 570.92 lakhs and total comprehensive income (before consolidation adjustments) of Rs. 279.17 lakhs and Rs. 570.92 lakhs, for the quarter ended 30 September 2024 and for the period from 01 April 2024 to 30 September 2024 respectively, and cash outflows (net) (before consolidation adjustments) of Rs. 325.87 lakhs for the period from 01 April 2024 to 30 September 2024, as considered in the Statement. These interim financial results have been reviewed by other auditor whose report has been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

For B S R and Co

Chartered Accountants

Firm's Registration No.:128510W

AMIT  
KUMAR  
BAJAJDigitally signed by  
AMIT KUMAR BAJAJ  
Date: 2024.11.07  
12:38:26 +05'30'

Amit Kumar Bajaj

Partner

Hyderabad

07 November 2024

Membership No.: 218685

UDIN:24218685BKGPQC3160







**VIJAYA  
DIAGNOSTIC  
CENTRE**

Vijaya Diagnostic Centre Limited

CIN: L85195TG2002PLC039075

Regd. Office: No. 6-3-883/F, FPA Building, Near Topaz Building, Punjagutta, Hyderabad-500082, Telangana, India

Phone: 040-23420422, Website: www.vijayadiagnostic.com, Email: ir@vijayadiagnostic.in

Statement of Unaudited Consolidated Financial Results for the quarter and year-to-date ended 30 September 2024

(Rs. in Lakhs except as stated)

Sl. No.	Particulars	Quarter ended			Year-to-date ended		
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations	18,294.82	15,621.68	13,885.89	33,916.50	25,990.85	54,780.53
	(b) Other income	450.99	356.40	675.10	807.39	1,245.77	2,081.80
	<b>Total income</b>	<b>18,745.81</b>	<b>15,978.08</b>	<b>14,560.99</b>	<b>34,723.89</b>	<b>27,236.62</b>	<b>56,862.33</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	2,298.81	1,875.77	1,634.84	4,174.58	3,003.60	6,543.84
	(b) Employee benefits expense	2,783.72	2,735.80	2,181.92	5,519.52	4,266.85	9,031.86
	(c) Finance costs	646.84	626.51	585.25	1,273.35	1,173.50	2,308.98
	(d) Depreciation and amortisation expense	1,683.74	1,663.40	1,368.79	3,347.14	2,615.79	5,699.62
	(e) Other expenses	5,614.00	4,886.41	4,332.59	10,500.41	8,112.02	17,124.94
	<b>Total expenses</b>	<b>13,027.11</b>	<b>11,787.89</b>	<b>10,103.39</b>	<b>24,815.00</b>	<b>19,231.76</b>	<b>40,789.24</b>
<b>3</b>	<b>Profit before tax and exceptional items [1 - 2]</b>	<b>5,718.70</b>	<b>4,190.19</b>	<b>4,457.60</b>	<b>9,908.89</b>	<b>8,004.86</b>	<b>16,073.09</b>
<b>4</b>	<b>Exceptional items (Refer Note 4)</b>	-	-	-	-	-	205.00
<b>5</b>	<b>Profit before tax [3 + 4]</b>	<b>5,718.70</b>	<b>4,190.19</b>	<b>4,457.60</b>	<b>9,908.89</b>	<b>8,004.86</b>	<b>15,868.09</b>
<b>6</b>	<b>Tax expense</b>						
	(a) Current tax	1,282.62	960.87	866.58	2,243.49	1,577.08	3,319.95
	(b) Deferred tax, net	223.61	78.80	233.65	302.41	431.95	584.43
	<b>Total tax expense</b>	<b>1,506.23</b>	<b>1,039.67</b>	<b>1,100.23</b>	<b>2,545.90</b>	<b>2,009.03</b>	<b>3,904.38</b>
<b>7</b>	<b>Profit for the period/year [5-6]</b>	<b>4,212.47</b>	<b>3,150.52</b>	<b>3,357.37</b>	<b>7,362.99</b>	<b>5,995.83</b>	<b>11,963.71</b>
<b>8</b>	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit or loss						
	(a) Remeasurement of the defined benefit obligations	(4.57)	(4.57)	6.47	(9.14)	12.95	(14.99)
	(b) Income-tax relating to above item	1.15	1.15	(1.63)	2.30	(3.26)	3.77
	<b>Other comprehensive income for the period/year (net of tax)</b>	<b>(3.42)</b>	<b>(3.42)</b>	<b>4.84</b>	<b>(6.84)</b>	<b>9.69</b>	<b>(11.22)</b>
<b>9</b>	<b>Total comprehensive income for the period/year [7+8]</b>	<b>4,209.05</b>	<b>3,147.10</b>	<b>3,362.21</b>	<b>7,356.15</b>	<b>6,005.52</b>	<b>11,952.49</b>
	<b>Profit for the period attributable to:</b>						
	Owners of the Company	4,193.64	3,134.52	3,332.20	7,328.16	5,952.57	11,882.53
	Non controlling interests	18.83	16.00	25.17	34.83	43.26	81.18
	<b>Other comprehensive income attributable to:</b>						
	Owners of the Company	(3.42)	(3.42)	4.84	(6.84)	9.69	(11.68)
	Non controlling interests	-	-	-	-	-	0.46
	<b>Total comprehensive income attributable to:</b>						
	Owners of the Company	4,190.22	3,131.10	3,337.04	7,321.32	5,962.26	11,870.85
	Non controlling interests	18.83	16.00	25.17	34.83	43.26	81.64
<b>10</b>	<b>Paid-up equity share capital (Face value of Re. 1 each) (Refer Note 5)</b>	<b>1,026.22</b>	<b>1,025.97</b>	<b>1,022.67</b>	<b>1,026.22</b>	<b>1,022.67</b>	<b>1,023.46</b>
<b>11</b>	<b>Other equity</b>						<b>64,695.88</b>
<b>12</b>	<b>Earnings per equity share (Face value of Re. 1 each fully paid up) (Refer Note 5)</b>	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	- Basic (in Rs.)	4.09	3.06	3.26	7.15	5.83	11.62
	- Diluted (in Rs.)	4.08	3.05	3.25	7.13	5.81	11.59



**Notes:**

1. The above consolidated financial results of Vijaya Diagnostic Centre Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the relevant rules thereunder, other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended).
2. The above consolidated financial results were reviewed by the audit committee and approved by the Board of Directors in their respective meetings held on 07 November 2024. The statutory auditors have carried out limited review of the above results for the quarter and year-to-date ended 30 September 2024. An unmodified report has been issued by them thereon.
3. The Group has one reportable segment (viz. Diagnostic Services) as per the requirements of Ind AS 108 "Operating Segments".
4. During the previous year, the Company incurred an amount of Rs. 205 lakhs for the evaluation of various acquisitions towards financial, legal and tax due diligence and for market study on the diagnostic business in target geographies. These expenses had been categorised as exceptional items as these are not incurred in the ordinary course of business of operations of the Company.
5. During the quarter and year-to-date ended 30 September 2024, the Company has issued 24,820 and 2,76,577 equity shares of face value of Rs. 1/- each respectively on exercise of employee stock options.
6. The Board of Directors of the Company in their meeting held on 26 June 2024, have considered and approved the proposed Scheme of Amalgamation ("Scheme") wherein Medinova Diagnostic Services Limited (Subsidiary Company) would merge into the Company with effect from 01 April 2024 ("the Appointed Date") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and other rules and regulations framed thereunder ("Scheme"). The aforesaid Scheme is subject to the approval of Stock Exchanges, SEBI, Shareholders and Creditors of the respective companies and National Company Law Tribunal, and such other approvals, permissions, and sanctions of regulatory and other authorities as may be necessary.
7. The Board of Directors of the Company had proposed final dividend of Rs. 1 per equity share (Face value of Rs 1 each) for the year ended 31 March 2024 at their meeting held on 08 May 2024. The same was approved by the shareholders in the Annual General Meeting of the Company held on 06 September 2024 and was paid on 13 September 2024.
8. The results of the Group are available for investors at [www.vijayadiagnostic.com](http://www.vijayadiagnostic.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

for and on behalf of the Board of Directors of  
Vijaya Diagnostic Centre Limited

SURA  
SURENDRANA  
TH REDDY

Digitally signed by SURA  
SURENDRANATH REDDY  
Date: 2024.11.07  
12:10:16 +05:30

Dr. S. Surendranath Reddy  
Executive Chairman  
DIN Number: 00108599

Place: Hyderabad  
Date: 07 November 2024



Consolidated Balance sheet		(Rs. in Lakhs except as stated)	
Sl. No.	Particulars	As at 30 September 2024 Unaudited	As at 31 March 2024 Audited
	<b>ASSETS</b>		
<b>I</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	41,116.43	37,862.14
	(b) Capital work-in-progress	1,755.18	820.63
	(c) Right-of-use assets	25,240.52	22,354.94
	(d) Goodwill	11,920.49	11,920.49
	(e) Other intangible assets	2,043.75	2,069.70
	(f) Intangible assets under development	88.05	48.67
	(g) Financial assets		
	(i) Investments	4.00	4.00
	(ii) Other financial assets	1,457.59	1,129.95
	(h) Deferred tax assets, (net)	-	291.85
	(i) Other tax assets, (net)	17.50	21.38
	(j) Other non-current assets	1,425.67	618.73
	<b>Total non-current assets</b>	<b>85,069.18</b>	<b>77,142.48</b>
<b>II</b>	<b>Current assets</b>		
	(a) Inventories	663.64	518.27
	(b) Financial assets		
	(i) Investments	15,957.35	10,912.98
	(ii) Trade receivables	1,282.61	1,623.97
	(iii) Cash and cash equivalents	1,467.08	2,224.77
	(iv) Bank balances other than (iii) above	3,712.45	5,082.99
	(v) Other financial assets	3,893.45	312.42
	(c) Other current assets	484.08	457.39
	<b>Total current assets</b>	<b>27,460.66</b>	<b>21,132.79</b>
	<b>TOTAL ASSETS (I + II)</b>	<b>1,12,529.84</b>	<b>98,275.27</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>Equity</b>		
	(a) Equity share capital	1,026.22	1,023.46
	(b) Other equity	71,462.00	64,695.88
	<b>Equity attributable to owners of the Company</b>	<b>72,488.22</b>	<b>65,719.34</b>
	Non-controlling interest	306.61	271.78
	<b>Total equity</b>	<b>72,794.83</b>	<b>65,991.12</b>
<b>II</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Lease liabilities	26,871.63	23,905.21
	(b) Provisions	1,194.47	1,058.18
	(c) Deferred tax liabilities, (net)	8.26	-
	(d) Other non-current liabilities	31.34	34.17
	<b>Total non-current liabilities</b>	<b>28,105.70</b>	<b>24,997.56</b>
<b>III</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Lease liabilities	2,288.19	2,013.02
	(ii) Trade payables		
	- Total outstanding dues of micro enterprises and small enterprises; and	51.80	60.45
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,754.03	3,234.52
	(iii) Other financial liabilities	4,182.08	1,139.85
	(b) Other current liabilities	488.59	402.43
	(c) Provisions	332.07	315.62
	(d) Current tax liabilities (net)	532.55	120.70
	<b>Total current liabilities</b>	<b>11,629.31</b>	<b>7,286.59</b>
	<b>Total liabilities (II + III)</b>	<b>39,735.01</b>	<b>32,284.15</b>
	<b>TOTAL EQUITY AND LIABILITIES (I + II + III)</b>	<b>1,12,529.84</b>	<b>98,275.27</b>
Place: Hyderabad Date: 07 November 2024		<i>for and on behalf of the Board of Directors of</i> <b>Vijaya Diagnostic Centre Limited</b>  SURA      Digitally signed by SURA SURENDRANATH      SURENDRANATH REDDY H REDDY      Date: 2024.11.07 12:10:48 +05'30'  <b>Dr. S. Surendranath Reddy</b> Executive Chairman DIN Number: 00108599	



Consolidated Statement of Cash flows		(Rs. in Lakhs except as stated)	
Sl.No	Particulars	For the period ended 30 September 2024	For the period ended 30 September 2023
		Unaudited	Unaudited
A.	<b>Cash flow from operating activities</b>		
	Profit before tax	9,908.89	8,004.86
	Adjustments for:		
	Depreciation and amortisation expense	3,347.14	2,615.79
	Net gain on sale/ retirement of property, plant and equipment	(19.36)	(163.42)
	Interest income under the effective interest method	(230.49)	(311.90)
	Profit on sale of mutual fund investments, (net)	(605.75)	(201.30)
	Loss allowance for trade receivables	-	26.01
	Equity-settled share based payment transactions (ESOP)	85.00	43.78
	Fair value gain on investments measured at FVTPL	57.03	(550.65)
	Liabilities no longer required, written back	-	(5.69)
	Finance costs	1,157.52	1,079.69
	<b>Operating profit before working capital changes</b>	<b>13,699.98</b>	<b>10,537.17</b>
	Working capital adjustments:		
	Decrease / (Increase) in trade receivables	341.36	(77.99)
	(Increase) in inventories	(145.37)	(163.92)
	Decrease in other financial assets	0.38	19.72
	(Increase) in other assets and deposits	(283.79)	(41.54)
	Increase in trade payables	510.86	567.67
	Increase / (Decrease) in provisions and other liabilities	195.81	(20.00)
	Increase in other financial liabilities	144.38	166.38
	<b>Cash generated from operations</b>	<b>14,463.61</b>	<b>10,987.49</b>
	Income tax paid, net	(1,950.03)	(1,520.72)
	<b>Net cash inflow from operating activities</b>	<b>12,513.58</b>	<b>9,466.77</b>
B.	<b>Cash flows from investing activities</b>		
	Acquisition of property, plant and equipment, capital work-in-progress (CWIP), other intangible assets and intangible assets under development (including capital advances and capital creditors)	(4,003.42)	(5,029.95)
	Proceeds from sale of property, plant and equipment	38.46	182.47
	Investment in liquid mutual funds/bonds, net	(4,495.65)	(4,868.12)
	Deposits redeemed/(made) having original maturity of more than 3 months, (net)	(2,148.81)	1,245.48
	Interest received	111.71	469.06
	<b>Net cash used in investing activities</b>	<b>(10,497.71)</b>	<b>(8,001.06)</b>
C.	<b>Cash flows from financing activities</b>		
	Proceeds from the exercise of employee stock options	388.80	218.13
	Dividend paid on equity shares	(1,026.23)	-
	Payment of lease liabilities	(2,136.13)	(1,779.38)
	<b>Net cash used in financing activities</b>	<b>(2,773.56)</b>	<b>(1,561.25)</b>
	<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(757.69)</b>	<b>(95.54)</b>
	Cash and cash equivalents at the beginning of the period	2,224.77	2,417.69
	<b>Cash and cash equivalents at end of the period</b>	<b>1,467.08</b>	<b>2,322.15</b>
Cash and cash equivalents as per above comprise of the following:			
	Particulars	As at 30 September 2024	As at 30 September 2023
	Cash on hand	95.99	63.55
	Balances with banks		
	- in current accounts	1,203.87	1,336.31
	- unpaid dividend accounts	0.71	922.29
	- in deposit accounts having maturity less than three months	166.51	-
	<b>Total cash and cash equivalents</b>	<b>1,467.08</b>	<b>2,322.15</b>
<p>for and on behalf of the Board of Directors of  <b>Vijaya Diagnostic Centre Limited</b></p> <p>SURA Digitally signed by SURA  SURENDRANATH REDDY Date: 2024.11.07  H REDDY 12:11:31 +05'30'</p> <p><b>Dr. S. Surendranath Reddy</b>  Executive Chairman  DIN Number: 00108599</p> <p>Place: Hyderabad  Date: 07 November 2024</p>			





**CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF VIJAYA DIAGNOSTIC CENTRE LIMITED (THE "COMPANY") AT ITS MEETING HELD ON WEDNESDAY, JUNE 26, 2024, AT 12:00 PM AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 6-3-883/F, GROUND FLOOR, FPA BUILDING, NEAR TOPAZ BUILDING, PUNJAGUTTA, HYDERABAD – 500082, TELANGANA, INDIA**

**TO APPROVE THE SCHEME OF AMALAGAMATION, INTER ALIA, INVOLVING THE AMALGAMATION OF MEDINOVA DIAGNOSTIC SERVICES LIMITED WITH AND INTO THE COMPANY**

The Chairman apprised the Board of Directors of the Company ("**Board**") that in order to benefit from the synergies of combining business and resources, cost savings and enhancing value for stakeholders, there is a proposal for the merger of Medinova Diagnostic Services Limited ("**Transferor Company**") with and into the Company, as per the draft Scheme of Amalgamation amongst the Company, the Transferor Company and their respective shareholders and creditors ("**Scheme**") under Sections 230 to 232 of the Companies Act, 2013. The draft Scheme was placed before the Board.

The Board considered the aforementioned proposal and passed the following resolutions:

**Approval of the Scheme of Amalgamation**

**"RESOLVED THAT** pursuant to and in accordance with the (i) provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**") read with the applicable rules framed thereunder; (ii) applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India ("**SEBI**" and such circular, the "**Scheme Circular**"; (iii) the enabling provisions of the Memorandum of Association and the Articles of Association of the Company; and (iv) any other rule(s), regulation(s), guideline(s), notification(s), circular(s) and clarification(s) issued from time to time by the Ministry of Corporate Affairs, the SEBI, the Reserve Bank of India and/ or any other regulatory/ statutory authority, in each case, to the extent applicable and including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force, subject to obtaining (a) the approval of National Company Law Tribunal, Hyderabad ("**NCLT**"; (b) the approval of the respective shareholders and creditors (as applicable) of the Company and Medinova Diagnostic Services Limited ("**Transferor Company**"; (c) receipt of the no-objection letters of the BSE Limited and the National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**"; and (d) such other approval(s), consent(s), permission(s) and sanction(s) of any other regulatory/ statutory authority(ies), if required and to the extent applicable, and subject to such terms and conditions and modifications as may be prescribed by the NCLT and/ or any other regulatory/ statutory authority(ies) while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company ("**Board**", which expression shall be deemed to include any committee(s) constituted/ to be constituted or any other person authorised/ to be authorised by the Board/ committee to exercise its powers including the powers conferred by this resolution) is hereby authorised to accept, the consent of the Board be and is hereby accorded to the Scheme of Amalgamation by and amongst the Company, the Transferor Company, and their respective



shareholders and creditors, in relation to *inter alia* the amalgamation of the Transferor Company with and into the Company ("Scheme").

**RESOLVED FURTHER THAT** pursuant to the relevant provisions of the Companies Act, the Scheme Circular and other applicable law(s), the Board hereby approves and takes on record the following documents, which have been placed before the Board:

1. The draft Scheme;
2. The valuation report dated June 26, 2024, issued jointly by SSPA & Co Chartered Accountants with Registration number IBBI/RV-E/06/2020/126 and CA Prashant Ghorela with Registration Number IBBI/RV/06/2021/14003, Registered Valuers appointed by the Audit Committee of the Board of the Company and the Transferor Company, providing the following share exchange ratio:

*For every 22 equity shares of face value of INR 10 (INR Ten only) each fully paid up held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall be issued 1 equity share of face value of INR 1 (INR One only) each fully paid up in the Transferee Company.*

3. The Fairness Opinion dated June 26, 2024, issued by Kunvarji Finstock Private Limited, SEBI Registered Merchant Banker with Registration Number INM000012564 appointed by the Company;
4. The certificate dated June 26, 2024, issued by B S R and Co Chartered Accountants, the Statutory Auditors of the Company, certifying that the accounting treatment contained in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act and other applicable laws;
5. The report of the Audit Committee of the Board dated June 26, 2024, recommending the Scheme for approval, prepared in conformity with the Scheme Circular;
6. The report of the Committee of the Independent Directors dated June 26, 2024, recommending the Scheme for approval, prepared in conformity with the Scheme Circular;
7. The report of the Board in terms of Section 232(2)(c) of the Companies Act; and
8. The detailed compliance report to be filed with Stock Exchanges prepared in conformity with the Scheme Circular.

**RESOLVED FURTHER THAT** the Appointed Date shall be fixed as April 01, 2024, or such other date as may be fixed or approved by the NCLT, being the date from which this Scheme shall be deemed to be operative and effective.

**RESOLVED FURTHER THAT** the Board hereby, for the purpose of coordinating with the SEBI, in terms of the Scheme Circular, designate BSE Limited as the 'Designated Stock Exchange'; and



**RESOLVED FURTHER THAT** all the Directors of the Company, Mr. Hansraj Singh, Company Secretary, Mr. Narasimha Raju KA, CFO and Mr. Gaurav Yadav, Assistant Company Secretary jointly and severally authorised to take all actions and decide all matters relating to and/ or incidental to the Scheme and/or necessary or desirable for giving effect to the Scheme, including but not limited to:

- (a) making any alterations, changes, or modifications to the Scheme, as may be expedient or necessary;
- (b) filing the Scheme and/ or any other information/ details/ documents (including any affidavits)/ instruments with the Stock Exchanges, NCLT or any other body or regulatory authority or agency (including third parties) to obtain approval or sanction to any of the provisions of the Scheme or for giving effect thereto;
- (c) withdrawing the Scheme in accordance with the Scheme;
- (d) filing appropriate application(s), documents, petitions, filings, affidavits, letters or writings before the NCLT, or such other appropriate authorities seeking directions as to convening/ dispensing with the meeting of the shareholders/ secured or unsecured creditors of the Company and, where necessary, to take steps to convene and hold such meetings as per the directions of the NCLT or such other appropriate authority;
- (e) filing any affidavits, petitions, pleadings, applications, orders, forms or reports before the NCLT, Stock Exchanges or any statutory or regulatory authority including the Registrar of Companies, as may be necessary, in connection with the Scheme and/ or in connection with the sanction thereof, and to do all such acts, deeds or things as may be deemed necessary or desirable in connection therewith or incidental thereto;
- (f) signing all applications, affidavits, petitions, pleadings, documents, filings, letters or writings relating to the Scheme, and represent the Company before the NCLT, Stock Exchanges and any other regulatory authorities in relation to any matter pertaining to the Scheme or delegate such authority to any other person by a valid power of attorney;
- (g) engaging, dismissing or changing counsels, advocates, solicitors, valuers and other professionals in connection with the Scheme;
- (h) signing and executing the vakalatnama wherever necessary, and signing and issuing public advertisements and notices in connection with the Scheme;
- (i) settling any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
- (j) obtaining approval from the NCLT, Stock Exchanges and such other authorities and parties including the shareholders, creditors and lenders as may be considered necessary, for the approval and sanction of the Scheme;

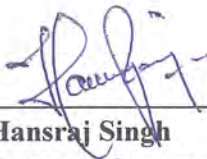




- (k) incurring expenses as may be necessary to give effect to the Scheme, including payment of fees to attorneys, counsels and other expenses (such as stamp duty and other applicable taxes);
- (l) doing all further acts, deeds, matters and things as may be necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto; and
- (m) to authenticate any document, instrument, proceeding and record of the Company;
- (n) delegate all or any of the abovementioned powers to any other person.

**RESOLVED FURTHER THAT** the Directors on the Board or the Company Secretary of the Company be and are hereby jointly and severally authorized to issue/ provide certified true copy(ies) of the aforementioned resolution(s) to any person(s) as may be required.”

**For and on behalf of Vijaya Diagnostic Centre Limited**

  
**Hansraj Singh**  
Company Secretary  
M. No. F11438  
Place: Hyderabad  
Date: June 26, 2024





**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VIJAYA DIAGNOSTIC CENTRE LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALAGAMATION OF MEDINOVA DIAGNOSTIC SERVICES LIMITED WITH VIJAYA DIAGNOSTIC CENTRE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

The following members of the Board of Directors of Vijaya Diagnostic Centre Limited (the “Company”) were present at the meeting:

1. Dr. Sura Surendranath Reddy – Executive Chairman
2. Ms. Sura Suprita Reddy – Managing Director & CEO
3. Mr. Sunil Chandra Kondapally – Executive Director
4. Mrs. Sura Geeta Reddy – Non-executive Director
5. Mr. Shekhar Prasad Singh – Independent Director
6. Mr. C. Satyanarayana Murthy – Independent Director
7. Dr. D. Nageshwar Reddy – Independent Director
8. Dr. Manjula Anagani – Independent Director

**1. Background**

- 1.1. The Board of Directors (the “Board”) of the Company at their meeting held on June 26, 2024 considered and approved the draft Scheme of Amalgamation which *inter alia* provides for the amalgamation of Medinova Diagnostic Services Limited (“Transferor Company”) with and into the Company pursuant to a Scheme of Amalgamation amongst the Company, the Transferor Company and their respective shareholders and creditors (“Scheme”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Companies Act”).
- 1.2. The provisions of Section 232(2)(c) of the Companies Act requires the Board to adopt a report explaining the effect of the draft Scheme on each class of shareholders, Key Managerial Personnel (“KMP”), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties (“Report”).
- 1.3. This Report is made and adopted by the Board in order to comply with requirements of Section 232(2)(c) of the Companies Act.

**2. Documents perused by the Board**

While deliberating on the draft Scheme, the Board, *inter alia*, considered and took on record the following documents:

- A. the draft Scheme;
- B. the valuation report dated June 26, 2024, issued jointly by SSPA & Co Chartered Accountants with Registration number IBBI/RV-E/06/2020/126 and CA Prashant Ghorela with Registration Number IBBI/RV/06/2021/14003, Registered valuers appointed by the Audit Committee of the Board of the Company and the Transferor Company (collectively referred to as the “Valuation Report”);
- C. the Fairness Opinion dated June 26, 2024, issued by Kunvarji Finstock Private Limited, SEBI registered merchant banker with Registration Number INM000012564 providing its



opinion on the fairness of the share exchange ratio proposed in the Valuation Report (“Fairness Opinion”);

- D. the Certificate dated June 26, 2024, issued by B S R and Co Chartered Accountants, the Statutory Auditors of the Company, certifying that the accounting treatment contained in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act read with the rules framed thereunder or the accounting standards issued by the Institute of Chartered Accountants of India, as applicable and other generally accepted accounting principles;
- E. report of the Audit Committee of the Company recommending the draft Scheme; and
- F. report of the Committee of Independent Directors of the Company recommending the draft Scheme.

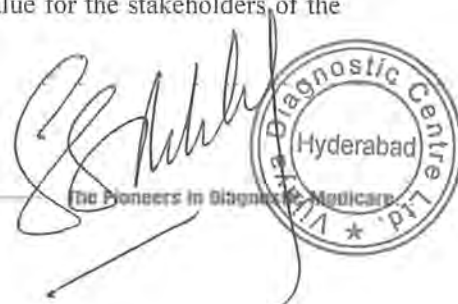
**3. Salient features of the Scheme**

The Scheme, amongst others, contemplates the following:

- a. the amalgamation of the Transferor Company with and into the Transferee Company on a going concern basis in accordance with Section 2(1B) of the Income-tax Act, 1961 and the consequent issuance of equity shares by the Transferee Company to the shareholders of the Transferor Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the SEBI Scheme Circular; and
- b. various other matters incidental, consequential or otherwise integrally connected therewith.
- c. The Appointed date (*as defined in the Scheme*) of the Scheme is 01 April 2024.
- d. The effectiveness of the Scheme is conditional upon fulfilment of certain conditions precedent as provided in Clause 29 of the Scheme.

**4. Rationale and benefits of the Scheme:**

- 4.1. Both the Transferor Company and Transferee Company are engaged in the business of providing diagnostic services. The proposed amalgamation will enable the Transferor Company and the Transferee Company to combine their businesses and create synergies between their businesses, including revenue synergies through sharing of consumer understanding, market insights and channel models to ensure faster reach to the market and to achieve faster growth;
- 4.2. Cost savings are expected to flow from more focused operational efforts and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses;
- 4.3. The proposed amalgamation is expected to create enhanced value for the stakeholders of the Transferor Company and the Transferee Company;



- 4.4. Greater efficiency in cash management of the Transferee Company, pooling of cash resources and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to maximize shareholder value; and

- 4.5. Simplification of overall group structure and creating efficiencies through amalgamation.

**5. Effect of the Scheme on the shareholders and Key Managerial Personnel**

**5.1. Shareholders (including promoter and non-promoter shareholders):**

- a) Upon the draft Scheme becoming effective in accordance with its terms, the Company is required to issue and allot fully paid equity shares of the Company to the shareholders of the Transferor Company as of a 'Record Date' (as defined in the Scheme), in consideration for the proposed amalgamation of the Transferor Company with and into the Company, as per the share exchange ratio set out in the Valuation Report and reproduced in paragraph 6 below.
- b) The Valuation Report and the Fairness Opinion were issued by the registered valuers appointed by the audit committee of the Board and a merchant banker registered with the Securities and Exchange Board of India, respectively, in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India.
- c) The equity shares of the Company to be issued and allotted to the shareholders of the Transferor Company in terms of the draft Scheme as per the share exchange ratio (as indicated in paragraph 6 below) are to rank *pari passu* in all respects with the existing equity shares of the Company.
- d) The Valuation Report and the Fairness Opinion provide adequate protection to the shareholders as the share exchange ratio (as indicated in paragraph 6 below) reflects the fair market value of the shares of the Transferor Company and the Company as on the date of the Valuation Report. As a result, the draft Scheme does not have any detrimental effect on the shareholders of the Company.

- 5.2. **Key Managerial Personnel:** Upon the draft Scheme becoming effective in accordance with its terms, the employees of the Transferor Company will become employees of the Company on the terms as set out in the draft Scheme. The employees, KMP of the Company and their respective rights would in no way be affected by the draft Scheme. The KMP of the Transferor Company may not continue as the KMP of the Company.

**6. Share exchange ratio and valuation**

As per the Scheme, in consideration for the proposed amalgamation, the Company is required to issue and allot fully paid-up equity shares of the Company to the shareholders of the Transferor Company other than the Transferee Company or its nominees or subsidiaries, whose names are registered in the Register of Members of the Transferor Company as on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or their successors in title as may be recognised by the Board of Directors of Transferor Company in the following manner:



*For every 22 Equity Shares of face value of INR 10 (INR Ten only) each fully paid up held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall be issued 1 Equity Share of face value of INR 1 (INR One only) each fully paid up in the Transferee Company.*

7. The Board notes that there are no special valuation difficulties which have been reported by the valuers in their respective Valuation Report.

8. **Cost benefit analysis of the Scheme**

The Board has considered and adopted this Report after noting and considering the information set forth in this Report.

**For and on behalf of the Board of Vijaya Diagnostic Centre Limited**

**Sura Suprita Reddy**  
**Managing Director & CEO**  
**DIN: 00263618**  
**Date: June 26, 2024**  
**Place: Hyderabad**



**CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF MEDINOVA DIAGNOSTIC SERVICES LIMITED (THE "COMPANY") AT ITS MEETING HELD ON WEDNESDAY, JUNE 26, 2024, AT 12:20 P.M AT 6-3-883/F, GROUND FLOOR, FPA BUILDING, NEAR TOPAZ BUILDING, PUNJAGUTTA, HYDERABAD – 500082, TELANGANA, INDIA**

**TO APPROVE THE SCHEME OF AMALAGAMATION, INTER ALIA, INVOLVING THE AMALGAMATION OF THE COMPANY WITH AND INTO VIJAYA DIAGNOSTIC CENTRE LIMITED**

The Chairman apprised the Board of Directors of the Company ("**Board**") that in order to benefit from the synergies of combining business and resources, cost savings and enhancing value for stakeholders, there is a proposal for the merger of the Company with and into Vijaya Diagnostic Centre Limited ("**Transferee Company**"), as per the draft Scheme of Amalgamation amongst the Company, the Transferee Company and their respective shareholders and creditors ("**Scheme**") under Sections 230 to 232 of the Companies Act, 2013. The draft Scheme was placed before the Board.

The Board considered the aforementioned proposal and passed the following resolutions unanimously:

**Approval of the Scheme of Amalgamation**

**"RESOLVED THAT** pursuant to and in accordance with the (i) provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**") read with the applicable rules framed thereunder; (ii) applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India ("**SEBI**" and such circular, the "**Scheme Circular**"; (iii) the enabling provisions of the Memorandum of Association and the Articles of Association of the Company; and (iv) any other rule(s), regulation(s), guideline(s), notification(s), circular(s) and clarification(s) issued from time to time by the Ministry of Corporate Affairs, the SEBI, the Reserve Bank of India and/ or any other regulatory/ statutory authority, in each case, to the extent applicable and including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force, subject to obtaining (a) the approval of National Company Law Tribunal, Hyderabad ("**NCLT**"; (b) the approval of the respective shareholders and creditors (as applicable) of the Company and Transferee Company; (c) receipt of the no-objection letters of the BSE Limited and the National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**"; and (d) such other approval(s), consent(s), permission(s) and sanction(s) of any other regulatory/ statutory authority(ies), if required and to the extent applicable, and subject to such terms and conditions and modifications as may be prescribed by the NCLT and/ or any other regulatory/ statutory authority(ies) while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company ("**Board**", which expression shall be deemed to include any committee(s) constituted/ to be constituted or any other person authorised/ to be authorised by the Board/ committee to exercise its powers including the powers conferred by this resolution) is hereby authorised to accept, the consent of the Board be and is hereby accorded to the Scheme of Amalgamation by and amongst the

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Company, the Transferee Company, and their respective shareholders and creditors, in relation to *inter alia* the amalgamation of the Company with and into the Transferee Company ("Scheme").

**RESOLVED FURTHER THAT** pursuant to the relevant provisions of the Companies Act, the Scheme Circular and other applicable law(s), the Board hereby approves and takes on record the following documents, which have been placed before the Board:

1. The draft Scheme;
2. The Valuation Report dated June 26, 2024, issued jointly by SSPA & Co Chartered Accountants with Registration number IBBI/RV-E/06/2020/126 and CA Prashant Ghorela with Registration Number IBBI/RV/06/2021/14003), Registered valuers appointed by the Audit Committee of the Board of the Company and the Transferee Company, providing the following share exchange ratio:

*For every 22 equity shares of face value of INR 10 (INR Ten only) each fully paid up held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall be issued 1 equity share of face value of INR 1 (INR One only) each fully paid up in the Transferee Company.*

3. The Fairness Opinion dated June 26, 2024, issued by Fortress Capital Management Services Private Limited, SEBI Registered Merchant Banker appointed by the Company;
4. The certificate dated June 26, 2024, issued by M. Anandam & Co., Chartered Accountants, the Statutory Auditors of the Company, certifying that the accounting treatment contained in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act and other applicable laws;
5. The report of the Audit Committee of the Board dated June 26, 2024, recommending the Scheme for approval, prepared in conformity with the Scheme Circular;
6. The report of the Committee of the Independent Directors' dated June 26, 2024, recommending the Scheme for approval, prepared in conformity with the Scheme Circular;
7. The report of the Board dated June 26, 2024, in terms of Section 232(2)(c) of the Companies Act; and
8. The detailed compliance report to be filed with Stock Exchanges prepared in conformity with the Scheme Circular.

**RESOLVED FURTHER THAT** the Appointed Date shall be fixed as April 01, 2024, or such other date as may be fixed or approved by the NCLT, being the date from which this Scheme shall be deemed to be operative and effective.

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**RESOLVED FURTHER THAT** the Board hereby, for the purpose of coordinating with the SEBI, in terms of the Scheme Circular, designate BSE Limited as the 'Designated Stock Exchange'; and

**RESOLVED FURTHER THAT** all the Directors of the Company, Mr. Hansraj Singh, Company Secretary, Mr. Nikhil Rajmal Jain, CFO, Mr. Narasimha Raju KA and Mr. Gaurav Yadav, Authorised Signatories, be and are hereby jointly and severally authorised to take all actions and decide all matters relating to and/ or incidental to the Scheme and/or necessary or desirable for giving effect to the Scheme, including but not limited to:

- (a) making any alterations, changes, or modifications to the Scheme, as may be expedient or necessary;
- (b) filing the Scheme and/ or any other information/ details/ documents (including any affidavits)/ instruments with the Stock Exchanges, NCLT or any other body or regulatory authority or agency (including third parties) to obtain approval or sanction to any of the provisions of the Scheme or for giving effect thereto;
- (c) withdrawing the Scheme in accordance with the Scheme;
- (d) filing appropriate application(s), documents, petitions, filings, affidavits, letters or writings before the NCLT, or such other appropriate authorities seeking directions as to convening/ dispensing with the meeting of the shareholders/ secured or unsecured creditors of the Company and, where necessary, to take steps to convene and hold such meetings as per the directions of the NCLT or such other appropriate authority;
- (e) filing any affidavits, petitions, pleadings, applications, orders, forms or reports before the NCLT, Stock Exchanges or any statutory or regulatory authority including the Registrar of Companies, as may be necessary, in connection with the Scheme and/ or in connection with the sanction thereof, and to do all such acts, deeds or things as may be deemed necessary or desirable in connection therewith or incidental thereto;
- (f) signing all applications, affidavits, petitions, pleadings, documents, filings, letters or writings relating to the Scheme, and represent the Company before the NCLT, Stock Exchanges and any other regulatory authorities in relation to any matter pertaining to the Scheme or delegate such authority to any other person by a valid power of attorney;
- (g) engaging, dismissing or changing counsels, advocates, solicitors, valuers and other professionals in connection with the Scheme;
- (h) signing and executing the vakalatnama wherever necessary, and signing and issuing public advertisements and notices in connection with the Scheme;





- (i) settling any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
- (j) obtaining approval from the NCLT, Stock Exchanges and such other authorities and parties including the shareholders, creditors and lenders as may be considered necessary, for the approval and sanction of the Scheme;
- (k) incurring expenses as may be necessary to give effect to the Scheme, including payment of fees to attorneys, counsels and other expenses (such as stamp duty and other applicable taxes);
- (l) doing all further acts, deeds, matters and things as may be necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto; and
- (m) to authenticate any document, instrument, proceeding and record of the Company;
- (n) delegate all or any of the abovementioned powers to any other person.

**RESOLVED FURTHER THAT** the directors on the Board or the Company Secretary of the Company be and are hereby jointly and severally authorized to issue/ provide certified true copy(ies) of the aforementioned resolution(s) to any person(s) as may be required.”

**For and on behalf of Medinova Diagnostic Services Limited**

  
**Hansraj Singh**  
 Company Secretary  
 M. No. F11438  
 Place: Hyderabad  
 Date: June 26, 2024



**ANNEXURE 1**

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MEDINOVA DIAGNOSTIC SERVICES LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALAGAMATION OF MEDINOVA DIAGNOSTIC SERVICES LIMITED WITH VIJAYA DIAGNOSTIC CENTRE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

The following members of Board of Directors of Medinova Diagnostic Services Limited (“**Transferor Company**” or the “**Company**”) were present at the meeting:

1. Dr. Sura Surendranath Reddy – Non-executive Chairman
2. Sunil Chandra Kondapally – Managing Director
3. B. Vishnu Priya Reddy – Non-executive Director
4. P. Kamalakar Rao – Independent Director
5. Ravikumar Reddy Kanamatareddy – Independent Director

**1. Background**

- 1.1 The Board of Directors (the “**Board**”) of the Company at their meeting held on June 26, 2024 considered and approved the draft Scheme of Amalgamation which *inter alia* provides for the amalgamation of the Company with and into Vijaya Diagnostic Centre Limited (“**Transferee Company**”) pursuant to a Scheme of Amalgamation amongst the Company, the Transferee Company and their respective shareholders and creditors (“**Scheme**”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Companies Act**”).
- 1.2 The provisions of Section 232(2)(c) of the Companies Act requires the Board to adopt a report explaining the effect of the draft Scheme on each class of shareholders, Key Managerial Personnel (“**KMP**”), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties (“**Report**”).
- 1.3 This Report is made and adopted by the Board in order to comply with requirements of Section 232(2)(c) of the Companies Act.

**2. Documents perused by the Board**

While deliberating on the draft Scheme, the Board, *inter alia*, considered and took on record the following documents:

- a. the draft Scheme;
- b. the Valuation Report dated June 26, 2024 issued jointly by SSPA & Co Chartered Accountants with Registration number IBBI/RV-E/06/2020/126 and CA Prashant Ghorela with Registration Number IBBI/RV/06/2021/14003), Registered Valuers appointed by the Audit Committee of the Board of the Company and the Transferor Company (collectively referred to as the “**Valuation Report**”)
- c. the Fairness Opinion dated June 26, 2024, issued by Fortress Capital Management Services Private Limited, SEBI registered merchant banker with Registration Number INM000011146 providing its opinion on the fairness of the share exchange ratio proposed in the Valuation Report (“**Fairness Opinion**”); and
- d. the Certificate dated June 26, 2024 issued by M. Anandam & Co., the Statutory Auditors of the Company, certifying that the accounting treatment contained in the Scheme is in

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conformity with the accounting standards prescribed under Section 133 of the Companies Act read with the rules framed thereunder or the accounting standards issued by the Institute of Chartered Accountants of India, as applicable and other generally accepted accounting principles.

- e. report of the Audit Committee of the Company recommending the draft Scheme; and
- f. report of the Committee of Independent Directors of the Company recommending the draft Scheme.

### 3. Salient features of the Scheme

3.1 The Scheme, amongst others, contemplates the following:

- a. the amalgamation of the Transferor Company with and into the Transferee Company on a going concern basis in accordance with Section 2(1B) of the Income-tax Act, 1961 and the consequent issuance of equity shares by the Transferee Company to the shareholders of the Transferor Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the SEBI Scheme Circular; and
- b. various other matters incidental, consequential or otherwise integrally connected therewith.

3.2 The Appointed date (*as defined in the Scheme*) of the Scheme is 01 April 2024.

3.3 The effectiveness of the Scheme is conditional upon fulfilment of certain conditions precedent as provided in Clause 29 of the Scheme.

### 4. Rationale and benefits of the Scheme

- 4.1 Both the Transferor Company and Transferee Company are engaged in the business of providing diagnostic services. The proposed amalgamation will enable the Transferor Company and the Transferee Company to combine their businesses and create synergies between their businesses, including revenue synergies through sharing of consumer understanding, market insights and channel models to ensure faster reach to the market and to achieve faster growth;
- 4.2 Cost savings are expected to flow from more focused operational efforts and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses;
- 4.3 The proposed amalgamation is expected to create enhanced value for the stakeholders of the Transferor Company and the Transferee Company;
- 4.4 Greater efficiency in cash management of the Transferee Company, pooling of cash resources and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to maximize shareholder value; and
- 4.5 Simplification of overall group structure and creating efficiencies through amalgamation.

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## 5. Effect of the Scheme on the shareholders and Key Managerial Personnel

### a. Shareholders (including promoter and non-promoter shareholders):

- i. Upon the draft Scheme becoming effective in accordance with its terms, the Transferee Company is required to issue and allot fully paid equity shares of the Company to the shareholders of the Company as of a 'Record Date' (as defined in the Scheme), in consideration for the proposed amalgamation of the Company with and into the Transferee Company, as per the share exchange ratio set out in the Valuation Report and reproduced in paragraph 6 below.
- ii. The Valuation Report and the Fairness Opinion were issued by the registered valuers appointed by the audit committee of the Board and a merchant banker registered with the Securities and Exchange Board of India, respectively, in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India.
- iii. The equity shares of the Transferee Company to be issued and allotted to the shareholders of the Company in terms of the draft Scheme as per the share exchange ratio (as indicated in paragraph 6 below) are to rank *pari passu* in all respects with the existing equity shares of the Company.
- iv. The Valuation Report and the Fairness Opinion provide adequate protection to the shareholders as the share exchange ratio (as indicated in paragraph 6 below) reflects the fair market value of the shares of the Company and the Transferee Company as on the date of the Valuation Report. As a result, the draft Scheme does not have any detrimental effect on the shareholders of the Company.

- b. Key Managerial Personnel: Upon the draft Scheme becoming effective in accordance with its terms, the employees of the Company will become employees of the Transferee Company on the terms as set out in the draft Scheme. The employees, KMP of the Transferee Company and their respective rights would in no way be affected by the draft Scheme. The KMP of the Company may not continue as the KMP of the Transferee Company.

## 6. Share exchange ratio and valuation

- 6.1 As per the Scheme, in consideration for the proposed amalgamation, the Transferee Company is required to issue and allot fully paid-up equity shares of the Transferee Company to the shareholders of the Company other than the Transferee Company or its nominees or subsidiaries, whose names are registered in the Register of Members of the Company as on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or their successors in title as may be recognised by the Board of Directors of the Company in the following manner:

*For every 22 Equity shares of face value of INR 10 (INR Ten only) each fully paid up held in the Transferor Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Transferor Company shall be issued 1 Equity Share of face value of INR 1 (INR One only) each fully paid up in the Transferee Company.*

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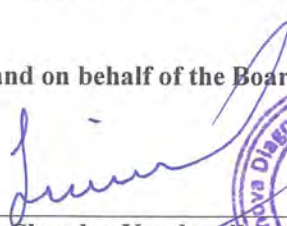


6.2 The Board notes that there are no special valuation difficulties which have been reported by the valuers in their respective Valuation Report.

**7. Cost benefit analysis of the Scheme**

The Board has considered and adopted this Report after noting and considering the information set forth in this Report.

**For and on behalf of the Board of Medinova Diagnostic Services Limited**

  
\_\_\_\_\_  
**Sunil Chandra Kondapally**  
**Managing Director**  
DIN: 01409332  
Date: June 26, 2024  
Place: Hyderabad



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<b>SSPA &amp; CO.</b> <b>Chartered Accountants</b> Registered Valuer -Securities or Financial Assets IBBI Registration No. IBBI/RV-E/06/2020/126 1st Floor, "Arjun" Plot No. 6A, V.P. Road, Andheri (West) Mumbai – 400 058	<b>CA Prashant Ghorela</b> Registered Valuer - Securities and Financial Assets IBBI Registration Number: IBBI/RV/06/2021/14003 B2-203, Sheth Midori, Ashokvan, Dahisar East, Mumbai – 400068
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Date: June 26, 2024

To,  
The Audit Committee / Board of Directors,  
Vijaya Diagnostic Centre Limited,  
Ground Floor, FPAI Building,  
Punjugutta Officers Colony,  
Near Topaz Building,  
Hyderabad – 500 082

To,  
The Audit Committee / Board of Directors,  
Medinova Diagnostic Services Limited  
H. No. 7-1-58, Unit No. 1/Flat No.301,  
3rd Floor Amrutha Business Complex,  
Ameerpet, Hyderabad – 500 016

**Subject: Recommendation of fair equity share exchange ratio for the proposed amalgamation of Medinova Diagnostic Services Limited ('MDSL') with Vijaya Diagnostic Centre Limited ('VDCL')**

Dear Sir/Madam,

We refer to the engagement letter dated June 05, 2024 whereby, SSPA & Co., Chartered Accountants – Registered Valuer – Securities or Financial Assets (hereinafter referred to as 'SSPA') and engagement letter dated May 28, 2024 whereby CA Prashant Ghorela, Registered Valuer – Securities and Financial Assets (hereinafter referred to as 'CA Prashant') has been appointed by Vijaya Diagnostic Centre Limited (hereinafter referred to as 'VDCL') and Medinova Diagnostic Services Limited ('MDSL') to recommend a fair equity share exchange ratio for the proposed amalgamation of MDSL with VDCL ('Proposed Amalgamation'), as more particularly provided for in the Draft Scheme of Amalgamation.

VDCL and MDSL are hereinafter together referred to as the 'Transacting Companies' or 'the Companies' or 'the Clients' or 'the Valuation Subjects' and individually referred to as "Company", as the context may require.

SSPA and CA Prashant are hereinafter jointly referred to as "Valuers" or "we" or "us" in this report.

The Management including the Board of Directors of the Transacting Companies shall together be referred to as 'the Management'.

This report sets out our scope of work, background, sources of information, procedures performed by us and our recommendation of the fair equity share exchange ratio.



**COMPANIES BACKGROUND**

**Vijaya Diagnostic Centre Limited ('VDCL' or 'Transferee Company')**

- VDCL is engaged in the business of providing comprehensive range of diagnostic services, spanning pathological investigations, basic and high-end radiology, nuclear medicine and related healthcare services.
- The equity shares of VDCL are listed and traded on both National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE').
- The standalone revenue from operations of the Transferee Company for the financial year ('FY') 2023-24 is INR 525.02 crores.

**Medinova Diagnostic Services Limited ('MDSL' or 'Transferor Company')**

- MDSL is engaged in the business of providing comprehensive range of diagnostic services, spanning pathological investigations, radiology and imaging, conventional, specialized lab services and diagnostic cardiology.
- The equity shares of MDSL are listed and traded on BSE.
- The consolidated revenue from operations of the Transferor Company for FY 2023-24 is INR 10.17 crores.





**SSPA & CO.,**  
Chartered Accountants

**CA Prashant Ghorela**  
Registered Valuer (IBBI)

## BACKGROUND OF VALUERS

### SSPA & CO., CHARTERED ACCOUNTANTS

SSPA, is a partnership firm, located at 1st Floor, "Arjun", Plot No. 6A, V. P. Road, Andheri (West), Mumbai - 400 058, India. SSPA is engaged in providing various corporate consultancy services.

We are a firm of practising Chartered Accountants registered with the ICAI. We are also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class - 'Securities or Financial Assets' with Registration No. IBBI/RV-E/06/2020/126.

### CA PRASHANT GHORELA, REGISTERED VALUER – SECURITIES AND FINANCIAL ASSETS

CA Prashant is a practicing Chartered Accountant registered with The Institute of Chartered Accountants of India ('ICAI') and office located at B2-203, Sheth Midori, Ashokvan, Dahisar East, Mumbai – 400068. I am also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class - 'Securities and Financial Assets' with Registration No. IBBI/RV/06/2021/14003.



### SCOPE AND PURPOSE OF THIS REPORT

We understand that the Management are contemplating a scheme of amalgamation, wherein they intend to amalgamate MDSL with VDCL in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein ("the Regulations"), in each case, as amended from time to time, and in a manner provided in the Draft Scheme of Amalgamation (hereinafter referred to as 'the Scheme').

We understand that as consideration for the proposed amalgamation of MDSL with VDCL, equity shares of VDCL would be issued to equity shareholders of MDSL.

In this connection, Transacting Companies have appointed SSPA and CA Prashant, Registered Valuers under the Companies Act, 2013, to submit a joint valuation report recommending the fair equity share exchange ratio to Audit Committee / Board of Directors of the Companies for the Proposed Amalgamation (hereinafter referred to as "Report").

We understand that the appointed date for the Proposed Amalgamation shall be April 01, 2024 or such other date as the National Company Law Tribunal ('NCLT') may direct.

For the purpose of this Report, we have considered Valuation Date to be June 25, 2024 ('Valuation Date').

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Transacting Companies using internationally accepted valuation methodologies as may be applicable to the Transacting Companies and then arrive at the fair equity share exchange ratio and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 ('ICAI VS') notified by ICAI and requirement prescribed by the regulations applicable to listed companies as prescribed by SEBI.

The Valuers have worked independently in their analysis. The Valuers have independently arrived at different values per share of the Valuation Subjects. However, to arrive at the consensus on the fair equity share exchange ratio for the Proposed Amalgamation, appropriate minor adjustments, rounding-off has been done in the values arrived at by the Valuers.

We have been provided with the audited financial statements of VDCL and MDSL for the financial year ended March 31, 2024. We have taken into consideration the current market parameters in our analysis and have adjusted for additional facts made known to us till the date of our Report. The Management has informed us that there are no unusual / abnormal events in the Transacting Companies materially impacting their operating / financial performance after March 31, 2024, until the Report Date. Further, we have been informed by the Management that to the best of their knowledge, material information regarding the business of each of the Transacting Companies has been disclosed to us.

We have relied on the above while arriving at fair equity share exchange ratio for the Proposed Amalgamation.

We have been informed that:

- a) With effect from the appointed date, and up to and including the effective date, there would not be any capital variation in the Transacting Companies except by mutual consent of the Board of Directors of Transacting Companies or such other events as contemplated in the Scheme.





**SSPA & CO.,**  
Chartered Accountants

**CA Prashant Ghorela**  
Registered Valuer (IBBI)

- b) Till the Proposed Amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different from those declared in the past few years.
- c) There would be no significant variation between the draft Scheme of arrangement and the final scheme approved and submitted with the relevant authorities.

We have been informed that, in the event either of the Transacting Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares / merger / demerger / reduction of share capital before the Scheme becomes effective, the issue of shares pursuant to the fair equity share exchange ratio recommended in this Report shall be adjusted accordingly to consider the effect of any such corporate actions.

This Report is our deliverable for the above engagement and is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter.

As such, the Report is to be read in totality and not in parts and in conjunction with the relevant documents referred to therein.





**SOURCES OF INFORMATION**

In connection with this exercise, we have received / obtained the following information about the Transacting Companies from the Management of the respective company:

- Audited financial statements of VDCL and MDSL for the financial year ended March 31, 2024;
- Financial Projections of VDCL and MDSL which represents the Management's best estimate of the future financial performance of the Transacting Companies ('Management Projections');
- Shareholding pattern of VDCL and MDSL as on the Valuation Date;
- Draft Scheme of Amalgamation;
- Discussions with the Managements to obtain requisite explanation and clarification of data provided, to inter-alia understand their perception of historical and expected future performance of VDCL and MDSL;
- Information available in public domain and databases subscribed by us; and
- Other relevant information and documents for the purpose of this engagement.

During the discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. Besides the above information and documents, there may be other information provided by the Companies which may not have been perused by us in any detail, if not considered relevant for the defined scope. The Clients have been provided with the opportunity to review the draft report (excluding the recommended fair equity share exchange ratio) as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our Report.



**PROCEDURES ADOPTED**

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and operational information.
- Used data available in public domain related to the Companies and their peers.
- Discussions (physical / over call) with the Management to:
  - Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis.
  - Enquire about the historical financial performance, current state of affairs, business plans, and the future performance estimates.
- Identification of suitable comparable companies in discussion with the Management.
- Undertook Industry Analysis:
  - Research publicly available market data including economic factors and industry trends that may impact the valuation.
  - Analysis of key trends and valuation multiples of comparable companies using proprietary databases subscribed by us.
- Obtained and analysed market prices, volume data and other relevant information for the Companies.
- Reviewed the financial projections provided by the Management for the Companies including understanding basis of preparation and the underlying assumptions.
- Selection of appropriate internationally accepted valuation methodology/(ies), after deliberations and consideration to the sector in which the Transacting Companies operate and analysis of their business operations.
- Arrived at the equity value of the Transacting Companies in order to determine fair equity share exchange ratio for the Proposed Amalgamation.





**SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS**

This Report is subject to the limitations detailed in respective engagement letters. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

This Report, its contents and the results herein are specific and subject to

- the purpose of valuation agreed as per the terms of our engagement;
- the date of this Report ("Report Date");
- audited financial statements of VDCL and MDSL for financial year ended March 31, 2024;
- financial projections and underlying assumptions as provided by the Management of the Companies;
- accuracy of the information available in public domain with respect to the comparable companies identified including financial information;
- market price reflecting the fair value of the underlying equity shares of the Companies; and
- data detailed in the Section - Sources of Information.

We have been informed that the business activities of Transacting Companies have been carried out in the normal and ordinary course between March 31, 2024 and the Report Date and that no material changes have occurred in their respective operations and financial position between March 31, 2024 and the Report Date.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the respective engagements. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair equity share exchange ratio for the Proposed Amalgamation. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

The decision to carry out the Proposed Amalgamation (including consideration thereof) lies entirely with the Management / Board of Directors of the respective Company and our work and findings shall not constitute recommendation as to whether or not the Management / the Board of Directors of the Company should carry out the Proposed Amalgamation.

The determination of fair value for arriving at fair equity share exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value.

While we have provided our recommendation of the fair equity share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the fair equity share exchange ratio at which the Proposed Amalgamation shall take place will be with the Board of Directors of the Transacting Companies, who should consider other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.

Recommendation of fair equity share exchange ratio for the proposed amalgamation of MDSL with VDCL





In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our respective engagements, we have carried out relevant analysis and evaluations through discussions, calculations and such other means, as may be applicable and available. We have assumed and relied upon, without independently verifying (i) the accuracy of the information that was publicly available, sourced from subscribed databases; and (ii) the accuracy of information made available to us by the Companies; both of which formed a substantial basis for this Report. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic / investigation services and does not include verification or validation work. In accordance with the terms of our engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials / financial information or individual assets or liabilities, provided to us regarding the Companies / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results.

It may herein be noted that the projections are responsibility of the Management. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore, not performed any audit, or examination of any of the historical or prospective information used and therefore, we do not express any opinion with regard to the same.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies. No investigation of Companies' claims to title of assets has been made for the purpose of this Report and Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our conclusion of value assumes that the assets and liabilities of the Companies reflected in their respective latest balance sheets remain intact as of the Report Date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this Report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.





**SSPA & CO.,**  
Chartered Accountants

**CA Prashant Ghorela**  
Registered Valuer (IBBI)

We accept no responsibility or any direct or indirect liability towards any third party including but not limited to any person, who may have been provided a copy of this Report for intended use in connection with the Scheme and hence, no party other than the Client shall have any recourse to us in relation to this engagement. In no event, we shall be liable for any loss, damage, cost or expense arising in any way from any acts carried out by the Companies referred herein or any person connected thereto.

We have not carried out any physical verification of the assets and liabilities of the Transacting Companies and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business / commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of fair equity share exchange ratio for the Proposed Amalgamation only.

We must emphasize that realization of forecasted free cash flow or the realizability of the assets at the values considered in our analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis, therefore, will not, and cannot be directed to providing any assurance about the achievability of the final projections. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that our conclusions are based on the forecasts, we express no opinion on achievability of those forecasts. The fact that we have considered the projections in this valuation exercise should not be construed or taken as our being associated with or a party to such projections.

The valuation analysis and results thereof for recommendation under this Report are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence / appraisal / enquiries / independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the fair equity share exchange ratio for the Proposed Amalgamation and relevant filings with regulatory authorities in this regard, without our prior written consent.

In addition, this Report does not in any manner address the price at which equity share of VDCL and MDSL shall trade following announcement of the Proposed Amalgamation and we express no opinion or recommendation as to how the shareholders of either of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Amalgamation. Our report and opinion / valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

We will owe the responsibility only to the Board of Directors of VDCL and MDSL.

Recommendation of fair equity share exchange ratio for the proposed amalgamation of MDSL with VDCL



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Chartered Accountants

CA Prashant Ghorela  
Registered Valuer (IBBI)

**Disclosure of Registered Valuers' Interest or Conflict, if any and other affirmative statements**

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation, as of the date of the engagement letter till the Report Date. We further state that we are not related to the Company or their promoters or their directors or their relatives. Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation.





**SSPA & CO.,**  
Chartered Accountants

**CA Prashant Ghorela**  
Registered Valuer (IBBI)

## SHAREHOLDING PATTERNS

### VDCL

As of Valuation Date, the shareholding of VDCL comprises 10,25,97,450 equity shares of face value INR 1 each.

Particulars	No. of Shares	% Shareholding
Promoter and Group	5,53,28,952	53.93%
Public	4,72,68,498	46.07%
<b>Total</b>	<b>10,25,97,450</b>	<b>100.00%</b>

Source: Management

### MDSL

As of Valuation Date, the shareholding of MDSL comprises 99,81,640 equity shares of face value INR 10 each.

Particulars	No. of Shares	% Shareholding
Promoter and Group	62,02,220	62.14%
Public	37,79,420	37.86%
<b>Total</b>	<b>99,81,640</b>	<b>100.00%</b>

Source: Management



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Registered Valuer (IBBI)

### **APPROACH FOR RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO:**

The Proposed Amalgamation contemplates the amalgamation of MDSL with VDCL. Arriving at the fair equity share exchange ratio for the Proposed Amalgamation would require determining the relative value of equity shares of Transacting Companies. These values are to be determined independently, but on a relative basis for the Valuation Subjects, without considering the effect of the Proposed Amalgamation.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for Proposed Amalgamation and our reasonable judgment, in an independent and bona fide manner.

The Valuation Approach adopted by SSPA and CA Prashant is given in Annexure 1A and 1B respectively (Annexure 1A and 1B together referred to as Annexures).

### **BASIS FOR RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO**

#### **Recommendation of equity share exchange ratio for the proposed amalgamation of MDSL with VDCL**

The basis of the amalgamation of MDSL with VDCL would have to be determined after taking into consideration all the factors and methods mentioned hereinafter. Though different values have been arrived at under each of the approaches / methods as mentioned in the Annexures, for the purpose of recommending the fair equity share exchange ratio of equity shares it is necessary to arrive at a final value for each Valuation Subject. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Valuation Subjects, but at their relative values to facilitate the determination of the fair equity share exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.

The fair equity share exchange ratio has been arrived at on the basis of a relative equity valuation of Valuation Subjects based on the various approaches / methods explained in the Annexures and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Valuation Subjects, having regard to information base, key underlying assumptions and limitations.

We have independently applied approaches / methods discussed in the Annexures, as considered appropriate, and arrived at the relative value per share of the Companies. To arrive at the consensus on the fair equity share exchange ratio for the Proposed Amalgamation of MDSL with VDCL, suitable minor adjustments / rounding off have been done.






**SSPA & CO.,**  
Chartered Accountants

**CA Prashant Ghorela**  
Registered Valuer (IBBI)

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions described in this report and the engagement letter, we recommend the fair equity share exchange ratio as follows:

**To the equity shareholders of MDSL**

**"1 (one) equity share of VDCL having a face value of INR 1 each fully paid-up shall be issued for every 22 (Twenty Two) equity shares held in MDSL having face value of INR 10 each fully paid-up".**

<p>Respectfully submitted, <b>For SSPA &amp; Co.,</b> <b>Chartered Accountants</b> ICAI Firm Registration No: 128851W IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126</p> <p><i>Parag S. Ved</i></p>  <p><b>Parag Ved, Partner</b> ICAI Membership No. 102432 Registered Valuer No.: IBBI/RV/06/2018/10092 UDIN: 24102432BKCIZT7486 Place: Hyderabad Date: June 26, 2024</p>	<p>Respectfully submitted,</p> <p><i>Prashant Ghorela</i></p>  <p><b>CA Prashant Ghorela</b> ICAI Membership No. 143335 Registration Number: IBBI/RV/06/2021/14003 UDIN: 24143335BKDIFY9667 Place: Hyderabad Date: June 26, 2024</p>
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**SSPA & CO.,**  
Chartered Accountants

**CA Prashant Ghorela**  
Registered Valuer (IBBI)

## **Annexure IA - Valuation Workings SSPA:**

### **VALUATION APPROACHES**

#### **Bases and Premise of Valuation**

Valuation of the equity shares of the Companies as on the Valuation Date is carried out in accordance with ICAI VS, considering 'relative value' base and 'going concern value' premise. Any change in the valuation base, or the valuation premise could have a significant impact on the valuation outcome of the Companies.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Cost Approach – Net Asset Value method
2. Market Approach:
  - a) Market Price method
  - b) Comparable Companies Multiple method
3. Income Approach – Discounted Cash Flow method

Each of the aforesaid approaches proceeds on different fundamental assumptions which have greater or lesser relevance and at times even no relevance, to a given situation. Thus, the approach to be adopted for a particular valuation exercise must be judiciously chosen.

For the Proposed Amalgamation, we have considered the following commonly used and accepted methods for determining the value of equity shares of the Transacting Companies for the purpose of recommending fair equity share exchange ratio to the extent relevant and applicable:

#### **1. Cost Approach - Net Asset Value Method ('NAV')**

The Cost Approach reflects the amount that would be required currently to replace the service capacity of an asset; often referred to as current replacement cost.

##### **VDCL and MDSL**

*In the present case, the business of VDCL and of MDSL is intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the Cost Approach is not adopted for the present valuation exercise.*

#### **2. Market Approach**

##### **a) Market Price Method**

The market price of an equity share as quoted on a stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

##### **VDCL and MDSL**

*In the present case, the equity shares of VDCL are listed on both NSE and BSE whereas for MDSL it is listed only on BSE. The value of equity shares of VDCL and MDSL under this method is determined considering the share prices of VDCL on NSE and MDSL on BSE over an appropriate period.*





**b) Comparable Companies' Multiple (CCM) / Comparable Transactions Multiples (CTM) Method**

Under CCM method, the value of equity shares of companies is determined by using multiples derived from valuations of comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully.

**VDCL and MDSL**

*In the present case, VDCL and MDSL have been valued based on EV/EBITDA multiple of comparable listed companies to arrive at the fair value per share of VDCL and MDSL under the Market Approach.*

Under CTM, the value of shares / business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

**VDCL and MDSL**

*Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having a similar operating / financial metrics as that of VDCL and MDSL, we have therefore not used CTM method to value the equity shares of these Companies.*

**3. Income Approach - Discounted Cash Flows Method ('DCF')**

Under the Income Approach, equity shares of VDCL and MDSL are valued using DCF Method.

Under DCF method, the projected free cash flows from business operations, after considering fund requirements for projected capital expenditure and incremental working capital, are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.

The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to earnings before interest and tax (i) depreciation and amortizations (non-cash charge), and (ii) any non-operating item. The cash flow is adjusted for outflows on account of (i) capital expenditure, (ii) incremental working capital requirements and (iii) tax.

WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the company. In other words, WACC is the weighted average of cost of equity and cost of debt of the respective Companies.

To the value so arrived, appropriate adjustments have been made for loan funds, cash and cash equivalents, value of investments, value of surplus assets and cash inflow on account of exercise of ESOP's, to arrive at the equity value.



**Fair equity share exchange ratio:**

Valuation Approach	VDCL		MDSL	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Asset Approach*	NA	NA	NA	NA
Income Approach	822.80	50%	38.37	50%
<b>Market Approach</b>				
- Market Price Method	805.59	25%	35.81	25%
- CCM Method	812.66	25%	35.54	25%
<b>Relative value per share</b>	<b>815.96</b>		<b>37.02</b>	
<b>Fair Equity Share Exchange Ratio (rounded off)</b>	<b>1 : 22</b>			

NA = Not Applied / Not Applicable

\* Since, the business of VDCL and MDSL are both intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Asset' approach is not adopted for the present valuation exercise.





**SSPA & CO.,**  
Chartered Accountants

**CA Prashant Ghorela**  
Registered Valuer (IBBI)

**Annexure IB - Valuation Workings CA Prashant:**

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

It may be noted that CA Prashant is enrolled with IOV Registered Valuers Foundation, which has recommended to follow International Valuation Standards ("IVS") for undertaking valuation and accordingly we have considered the International Valuation Standards issued by International Valuation Standards Council ("IVSC") in carrying out the valuation exercise.

For valuation exercise, market parameters have been considered up to and including June 25, 2024.

There are three generally accepted approaches to valuation:

- (a) "Asset" / "Cost" Approach
- (b) "Income" Approach
- (c) "Market" Approach

An overview of these approaches is as follows:

**1. Asset / Cost Approach**

**Net Asset Value Method ("NAV")**

The value arrived at under this approach is based on the latest audited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The balance sheet values are adjusted for any contingent liabilities that are likely to materialise.

NAV is generally used as the minimum break-up value for the transaction and this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern.

**VDCL and MDSL**

In a going concern scenario, the earning power, as reflected under the Income and Market approaches, is of greater importance to form the basis of amalgamation, than the values arrived at on the net asset basis being of limited relevance. Therefore, Asset / Cost approach has not been considered.





**2. Income Approach****Discounted Cash Flow Method ("DCF"):**

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The DCF Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows. Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to the owners of the business and creditors. The free cash flows in the explicit period and those in perpetuity are discounted by the Weighted Average Cost of Capital ("WACC"). The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of the future cash flows as it considers equity risk of the firm. The perpetuity (terminal) value is calculated based on the business's potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period. However, in the complex business models it is advisable to derive terminal value as per Exit Multiple method where the stabilized Key Performance Indicator (KPI) such as EBITDA, Book Value, Profit After Tax of the Company is applied to the trading comparable companies KPI multiple to arrive at Terminal Value. The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business's future operations. The Business/Enterprise Value (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) and surplus assets are added to arrive at value to the owners of the business.

**VDCL and MDSL**

- In the present case, we have considered the projections of VDCL and MDSL for a period starting from April 01, 2024 to March 31, 2029 as provided by the management of Transacting Companies as the projections for the explicit period.
- Considered the following adjustments to EBIT (Net of tax) to arrive at the free cash flows to the firm (FCFF):
  - Adjustments for working capital requirements based on projected balance sheet
  - Adjustments for capital expenditure estimated to be incurred over the projected period
  - Adjustments for depreciation based on information provided by management of the Company.
- Computed net present value of FCFF over the period based on WACC derived as per CAPM formula.
- The terminal value of cash flows beyond March 31, 2029 (post Explicit Period) is computed by using a market multiple based on comparable companies. We have applied the size adjusted EV/EBITDA multiple of comparable companies to the terminal year EBITDA fundamental of Transacting Company.
- The sum of present value of FCFF and terminal value is equivalent to the Enterprise Value ("EV").
- The Enterprise Value, so arrived has been adjusted for Cash & cash equivalents (including cash to be received on exercise of ESOPs), surplus assets and reduced by debt and debt like items as on March 31, 2024 to arrive at the Equity value of the Transacting Companies.





**3. Market Approach**

The Market approach generally reflects the investor's perception about the true worth of the company.

**i. Market Price Method**

Under this method, the market price of equity shares of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading.

**ii. Comparable Companies Multiple Method**

This method values a business based on trading multiples derived from publicly traded companies that are similar to the subject company. The steps taken in applying the Comparable company method include identifying comparable public companies, adjusting the guideline public company multiples for differences in the size and risk of these companies compared to the subject company, and then applying the adjusted pricing multiples from the representative companies.

**iii. Comparable Transaction Multiple Method**

Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry.

**VDCL and MDSL**

1. Market Price Method under the Market Approach have been considered for valuation of both VDCL and MDSL as both are listed on Indian stock exchange. We considered ICDR Regulations which provide guidelines to estimate the market price.

In the present case, the share price of VDCL on the NSE has been considered, as the trading volumes are higher at NSE as compared to BSE and share price of MDSL on BSE has been considered.

The Pricing Formula provided in Regulations 164 (1) of ICDR Regulations has been considered for arriving at the value per equity share of VDCL and MDSL.

2. Comparable Companies Multiple Method ("CCM") is also used for determining and arriving at the fair value of VDCL and MDSL, since there are comparable companies operating in a similar segment in India. Further, due to paucity of comparable transaction, CTM method has not been considered.

The trailing Enterprise Value to EBITDA (EV/EBITDA) multiples of comparable peer companies have been considered for CCM. The multiples have been further adjusted for size differences between comparable companies. EV/EBITDA multiple is considered as a better ratio compared to PE ratio as it is not affected by change in capital structure of the peer Companies.



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Chartered Accountants

CA Prashant Ghorela  
Registered Valuer (IBBI)

Summary of Valuation Approaches & Methodologies for the Transacting Companies:

Methods Adopted	VDCL	MDSL
Cost Approach	x	x
Income Approach - DCF Method	✓	✓
Market Approach - CCM	✓	✓
Market Approach - Market Price Method	✓	✓

Fair equity share exchange ratio:

Computation of Share Exchange Ratio				
Valuation Approach	Vijaya Diagnostic Centre Limited (Face value INR 1 each)		Medinova Diagnostic Services Limited (Face value INR 10 each)	
	Value Per Share (INR)	Weight	Value Per Share (INR)	Weight
Income Approach - DCF Method	836.97	50%	37.56	50%
Market Approach - CCM	808.20	25%	36.20	25%
Market Approach - Market Price Method	789.33	25%	38.18	25%
<b>Relative Value Per Share</b>	<b>817.87</b>		<b>37.37</b>	
<b>Exchange Ratio - rounded off</b>	<b>1 : 22</b>			

Swap Ratio
<u>1</u> equity share of Vijaya Diagnostic Centre Limited of face value INR 1 each will be issued for every <u>22</u> equity shares of Medinova Diagnostic Services Limited of face value INR 10 each







## STRICTLY PRIVATE & CONFIDENTIAL

June 26, 2024

To,  
**The Board of Directors**  
**Medinova Diagnostic Services Limited**  
 H. No. 7-1-58, Unit No. 1/Flat No.301,  
 3rd Floor Amrutha Business Complex,  
 Ameerpet, Hyderabad – 500 016,  
 Telangana, India.

**Sub: Fairness Opinion on share exchange ratio recommended by the valuers in connection with the proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited with and into Vijaya Diagnostic Centre Limited and their respective shareholders and creditors**

Dear Sir(s),

We refer to our engagement letter dated June 01, 2024 and discussion wherein the management of **Medinova Diagnostic Services Limited** (hereinafter referred to as “**MDSL**” or “**Transferor Company**”) has requested Fortress Capital Management Services Private Limited (hereinafter referred to as “**Fortress**”), a SEBI Registered Category I Merchant Banker to give a fairness opinion on the Share Exchange Ratio recommended by SSPA & Co., Chartered Accountants and CA Prashant Ghorela (hereinafter referred to as “**Joint Valuers**”) in connection with the Scheme of Amalgamation of MDSL with and into **Vijaya Diagnostic Centre Limited** (hereinafter referred to as “**VDCL**” or “**Transferee Company**”) and their respective shareholders and creditors.

VDCL and MDSL are hereinafter collectively referred to as the “**Companies**”.

### 1. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

- 1.1 We have been informed by the Management that they are considering the proposal of Amalgamation of MDSL with and into VDCL (hereinafter referred to as the “**Amalgamation**” or “**Proposed Transaction**”) pursuant to the Scheme of Amalgamation (hereinafter referred to as “**Scheme**”) between the Companies in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules and regulations made thereunder. Subject to necessary approvals, MDSL would amalgamate with and into VDCL, with effect from the appointed date as mentioned in the draft Scheme (hereinafter referred to as the “**Appointed Date**”). As a consideration for the Proposed Transaction, shareholders of MDSL would be issued equity shares of VDCL as per the share exchange ratio determined by the Joint Valuers as provided in the valuation report.



Page 1 of 5

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Registered office : Daryanagar House, 2nd Floor, 69 Maharashtra Road, Marine Lines, Mumbai 400 002, India. Tel : +91 (22) 2200 7973



### 1.2 Vijaya Diagnostic Centre Limited

VDCL is engaged in the business of providing comprehensive range of diagnostic services, spanning pathological investigations, basic and high-end radiology, nuclear medicine and related healthcare services. The equity shares of VDCL are listed and traded on both National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). The standalone revenue from operations of the VDCL for the financial year ('FY') 2023-24 is INR 525.02 crores.

The shareholding pattern of VDCL as on date, is given below:

Name of the Shareholder	Number of Equity Shares	% Holding
Promoters and Promoters Group	5,53,28,952	53.93%
Public Shareholders	4,72,68,498	46.07%
<b>Total</b>	<b>10,25,97,450</b>	<b>100.00%</b>

### 1.3 Medinova Diagnostic Services Limited

MDSL is engaged in the business of providing comprehensive range of diagnostic services, spanning pathological investigations, radiology and imaging, conventional, specialized lab services and diagnostic cardiology. The equity shares of MDSL are listed and traded on BSE. The consolidated revenue from operations of the MDSL for FY 2023-24 is INR 10.17 crores.

The shareholding pattern of MDSL as on date, is given below:

Name of the Shareholder	Number of Equity Shares	% Holding
Promoters and Promoters Group	62,02,220	62.14%
Public Shareholders	37,79,420	37.86%
<b>Total</b>	<b>99,81,640</b>	<b>100.00%</b>



- 1.4 In this regard Joint Valuers were appointed to recommend the share exchange ratio in connection with the Proposed Transaction of Amalgamation of MDSL with and into VDCL under a Scheme of Amalgamation.
- 1.5 Accordingly, we have been appointed in the capacity of SEBI Registered Category I Merchant Banker to give a fairness opinion on the share exchange ratio recommended by Joint Valuers in connection with the Proposed Transaction of Amalgamation of MDSL with VDCL under the Scheme of Amalgamation to comply with the SEBI Guidelines.
- 1.6 The information contained in our report herein is confidential. It is intended only for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

## 2. SOURCES OF INFORMATION

For the purposes of this exercise, we have relied upon the following sources of information:

- (a) Draft Scheme of Amalgamation between MDSL, and VDCL under section 230 to 232 of the Companies Act, 2013.
- (b) Audited financial statements of the Companies for the financial year ('FY') ended March 31, 2024.
- (c) Shareholding Patterns of the Companies as on March 31, 2024 and June 21, 2024.
- (d) Financial projections of VDCL and MDSL comprising of balance sheet and profitability statement.
- (e) Report dated June 26, 2024 issued by the Joint Valuers.
- (f) Information available in public domain.
- (g) Such other information and explanations as we required, and which have been provided to us by the Management and Joint Valuers including Management Representations of VDCL and MDSL.

## 3. EXCLUSIONS AND LIMITATIONS

- 3.1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects.
- 3.2 We have been represented by the Management of the Companies that the Companies have clear and valid title of assets. No investigation on Companies claim to title of their assets has been made and their claim to such rights has been assumed to be valid.
- 3.3 Our work does not constitute verification of historical financials of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

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- 3.4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.
- 3.5 The fee for the engagement and this report is not contingent upon the results reported.
- 3.6 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement.
- 3.7 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- 3.8 Any person / party intending to provide finance / divest / invest in the shares / convertible instruments / business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 3.9 This Fairness Opinion ("Opinion") is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on the Opinion including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this Opinion may affect the opinion and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this Fairness Opinion.
- 3.10 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion.
- 3.11 This Fairness Opinion has been issued for the sole purpose to facilitate the Companies to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 relating to Scheme of Arrangement by Listed Entities. It shall not be valid for any other purpose and should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 3.12 Fortress nor its directors, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the fairness opinion is provided. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the fairness opinion.

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#### 4. REVIEW OF DOCUMENTS

For arriving at the opinion, we have reviewed the following documents:

- Draft Scheme of Amalgamation.
- Financials and Projections of Companies as mentioned in para 2 - 'Sources of Information'
- Report dated June 26, 2024 of the Joint Valuers.
- Explanation and information provided by the Management of the Companies and the Joint Valuers.

#### 5. VALUATION METHODOLOGY ADOPTED BY THE JOINT VALUERS

For the purpose of Valuation and recommending the share exchange ratio, the Joint Valuers have adopted "Discounted Cashflow Method" under Income Approach, "Market Price Method" and "Comparable Companies Multiple Method" under Market Approach for valuation of equity shares of VDCL and MDSL.

#### 6. CONCLUSION

- 6.1 We have reviewed methodology as mentioned above used by the Joint Valuers for arriving at the valuation of the equity shares of the Companies and also reviewed the working and underlying assumptions adopted to arrive at the values under each of the above approaches, for the purposes of recommending share exchange ratio.
- 6.2 On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the share exchange ratio for the proposed Amalgamation of MDSL with and into VDCL of **1 (One) Equity share of VDCL of INR 1 each fully paid up for every 22 (Twenty Two) Equity Share of MDSL of INR 10 each fully paid up, recommended by Joint Valuers is fair and reasonable.**

Thanking you.

Yours faithfully,

**For Fortress Capital Management Services Pvt. Ltd.**

*Hilom. m. Joshi*



**Authorized Signatory**

**Place: Mumbai**

**SEBI Registration No.: INM000011146**

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To,  
**The Board of Directors,**  
**Vijaya Diagnostic Centre Limited,**  
 Ground Floor, FPAI Building,  
 Punjagutta Officers Colony,  
 Near Topaz Building, Hyderabad – 500 082,  
 Telangana, India.

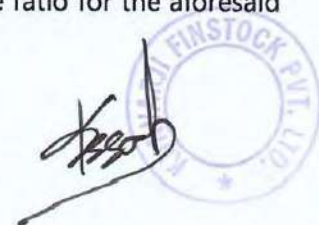
Dear Sir/Ma'am,

**Subject: Fairness opinion to the Board of Directors of Vijaya Diagnostic Centre Limited on the recommendation of fair equity share exchange ratio for the proposed amalgamation of Medinova Diagnostic Services Limited with Vijaya Diagnostic Centre Limited**

We refer to our discussion undertaken with the Management of Vijaya Diagnostic Centre Limited (*hereinafter referred to as "VDCL" or "Transferee Company"*) wherein the Management of VDCL has appointed Kunvarji Finstock Private Limited, a Category I Merchant Banker registered with SEBI having Registration Number – INM000012564 (*hereinafter referred to as "Kunvarji" or "We" or "Us" or "Our"*) vide engagement letter dated May 29, 2024 to provide a fairness opinion on the fair equity share exchange ratio for the proposed amalgamation of Medinova Diagnostic Services Limited (*hereinafter referred to as "MDSL" or "Transferor Company"*) with and into Vijaya Diagnostic Centre Limited with effect from the Appointed Date as defined in the Scheme (*hereinafter referred to as the "Proposed Amalgamation" or "Proposed Transaction"*) as recommended by SSPA & Co., Chartered Accountants, Registered Valuer – Securities or Financial Assets and CA Prashant Ghorela, Registered Valuer – Securities and Financial Assets (*hereinafter referred to as the "Independent Valuers"*) vide report dated June 26, 2024.

*Hereinafter the Management including the Board of Directors of VDCL and MDSL shall collectively be referred to as the "Management"; Transferor Company and Transferee Company shall collectively be referred to as "Transacting Companies".*

Please find enclosed our deliverables in the form of a report (*the "Report"*). This Report sets out the transaction overview, scope of work, background of the Transacting Companies, sources of information and our opinion on the equity share exchange ratio for the aforesaid Proposed Amalgamation recommended by the Independent Valuers.



**Kunvarji Finstock Pvt. Ltd.**

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CIN - U65910GJ1986PTC008979

000042/2024





This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This Report has been issued only to facilitate the Proposed Amalgamation and should not be used for any other purpose.

For, Kunvarji Finstock Private Limited



Mr. Kunal Shah

Director (DIN: 00049623)

Place: Ahmedabad

Date: June 26, 2024

**Kunvarji Finstock Pvt. Ltd.**

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**1. BACKGROUND OF THE TRANSACTING COMPANIES**
**❖ Medinova Diagnostic Services Limited (Transferor Company)**

Medinova Diagnostic Services Limited is a limited company bearing CIN L85110TG1993PLC015481 and was incorporated on March 11, 1993. The registered office of the company is located at H. No. 7-1-58, Unit No. 1/Flat No.301, 3rd Floor Amrutha Business Complex, Ameerpet, Hyderabad, Telangana, India - 500016. The equity shares of MDSL are listed and traded on BSE Limited ('BSE').

The Transferor Company is engaged in the business of providing a comprehensive range of diagnostic services, spanning pathological investigations, radiology and imaging, conventional, specialized lab services and diagnostic cardiology.

The summary of the equity shareholding pattern of MDSL as on the date of this report is as under:

Sr. No.	Category of the Shareholder	No. of shares held (FV – INR 10 each)	Shareholding (%)
1	Promoter & Promoter Group	62,02,220	62.14%
2	Public	37,79,420	37.86%
<b>Total</b>		<b>99,81,640</b>	<b>100.00%</b>

(Source: Management)

**❖ Vijaya Diagnostic Centre Limited (Transferee Company)**

Vijaya Diagnostic Centre Limited is a public limited company bearing CIN L85195TG2002PLC039075 and was incorporated on June 05, 2002. The registered office of the company is located at No. 6-3-883/F, FPA Building, Near Topaz building, Punjagutta, Hyderabad, Telangana, India - 500082. The equity shares of VDCL are listed and traded on both National Stock Exchange of India Limited ('NSE') and BSE.

The Transferee Company is engaged in the business of providing a comprehensive range of diagnostic services, spanning pathological investigations, basic and high-end radiology, nuclear medicine and related healthcare services.



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The summary of the equity shareholding pattern of VDCL as on the date of this report is as under:

Sr. No.	Category of the Shareholder	No. of shares held (FV – INR 1 each)	Shareholding (%)
1	Promoter & Promoter Group	5,53,28,952	53.93%
2	Public	4,72,68,498	46.07%
<b>Total</b>		<b>10,25,97,450</b>	<b>100.00%</b>

(Source: Management)

## 2. TRANSACTION OVERVIEW, RATIONALE OF THE SCHEME & SCOPE OF SERVICES

### ❖ Transaction Overview

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate MDSL with and into VDCL in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 with effect from the Appointed Date and in a manner provided in the draft scheme of amalgamation (*hereinafter referred to as 'the Scheme'*).

We understand that as consideration for the Proposed Amalgamation of MDSL with and into VDCL, equity shareholders of MDSL would be issued equity shares of VDCL. The equity shares of VDCL to be issued for the aforesaid Proposed Amalgamation will be based on the fair equity share exchange ratio as determined by the Board of Directors based on the fair equity share exchange ratio report prepared by the Independent Valuers appointed by them.

### ❖ Rationale of the Scheme

The rationale of the Proposed Amalgamation as mentioned in the Scheme and confirmed by the Management is to consolidate the business and other interests of the Transacting Companies. The Proposed Amalgamation will enable the Transacting Companies to combine their businesses and create synergies between their businesses, including revenue synergies through sharing of consumer understanding, market insights and channel models to ensure faster reach to the market and to achieve faster growth. The Proposed Amalgamation also expects to flow from more focused operational efforts and simplification of business processes and productivity improvements.



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Pursuant to the requirements of SEBI Operational Circular SEBI/HO/DDHS/DDHS DIVI/P/CIR/2022/0000000103 dated July 29, 2022 updated as on December 01, 2022 and SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time, we have been requested by the Management to issue a fairness opinion in relation to the fair equity share exchange ratio for the Proposed Amalgamation.

In this regard, the Management has appointed Kunvarji Finstock Private Limited, a Category I Merchant Banker registered with SEBI having Registration Number – INM000012564 to provide a fairness opinion on the equity share exchange ratio for the Proposed Amalgamation recommended by the Independent Valuers vide report dated June 26, 2024.

Our scope of work only includes forming an opinion on the fairness of the recommendation of the Independent Valuers on the fair equity share exchange ratio arrived at for the Scheme and does not involve evaluating or opining on the fairness or economic rationale of the Scheme per se. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts, in conjunction with the relevant documents referred to herein.

### 3. SOURCES OF INFORMATION

We have relied on the following information made available to us by the Management obtained from the public domain for this report:

- Audited financial statements of VDCL and MDSL for the financial year ended March 31, 2024;
- Financial Projections of VDCL and MDSL which represents the Management's best estimate of the future financial performance of the Transacting Companies;
- Shareholding pattern of VDCL and MDSL as at the Report Date;
- Draft Scheme of Amalgamation;
- Market Price of VDCL and MDSL as published by NSE and BSE;
- Signed fair equity share exchange ratio report issued and prepared by SSPA & Co., Chartered Accountants, Registered Valuer – Securities or Financial Assets and CA Prashant Ghorela, Registered Valuer – Securities and Financial Assets vide report dated June 26, 2024;
- Relevant data and information provided by management either in written or oral form or in the form of soft copy; and discussions with representatives of the Company.

**Kunvarji Finstock Pvt. Ltd.**

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CIN - U65910GJ1986PTC008979

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The Management has been provided with the opportunity to review the draft fairness opinion report (excluding our fairness opinion on the share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided.

#### 4. PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the opinion:

- Discussion with the Management to understand the business and the fundamental factors that affect its earning generating capability of Transacting Companies including strength, weakness, opportunity and threat analysis and historical financial performance;
- Analysis of information shared by Management;
- Undertook Industry Analysis: Research publicly available market data including economic factors and industry trends that may impact the opinion;
- Requested and received financial and qualitative information and obtained data available in the public domain;
- Reviewed the draft scheme of amalgamation between the Transacting Companies pursuant to which the Proposed Transaction is to be undertaken;
- Reviewed the signed fair equity share exchange ratio report issued and prepared by SSPA & Co., Chartered Accountants, Registered Valuer – Securities or Financial Assets and CA Prashant Ghorela, Registered Valuer – Securities and Financial Assets vide report dated June 26, 2024;
- Discussion with an Independent Valuers on such matters which we believed were necessary or appropriate for issuing this opinion.

#### 5. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- The fairness opinion contained herein is not intended to represent a fairness opinion at any time other than the report date.
- We have no obligation to update this report. This Report, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed upon as per the terms of our engagement; (ii) the Report Date; (iii) the draft scheme of amalgamation and (iv) other data detailed in the Section 3 of this report "*Sources of Information*".
- A fairness opinion of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

**Kunvarji Finstock Pvt. Ltd.**

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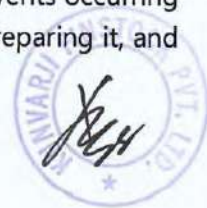
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- The fairness opinion rendered in this Report only represents our opinion based upon information furnished by the Transacting Companies and gathered from the public domain (and analysis thereon) and the said opinion shall be considered to be in the nature of non-binding advice. Our fairness opinion should not be used for advising anybody to make a buy or sell decision for which a specific opinion needs to be taken from expert advisors.
- We have not independently audited or otherwise verified the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Management, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Transacting Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/on behalf of the Transacting Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion.
- It is understood that this opinion is solely for the benefit of confidential use by the Board of Directors of the Transacting Companies to facilitate Transacting Companies to comply with SEBI Operational Circular SEBI/HO/DDHS/DDHS DIVI/P/CIR/2022/0000000103 dated July 29, 2022, updated as on December 01, 2022 and SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 as amended from time; disclosures to be made to relevant regulatory authorities including stock exchanges, SEBI, National Company Law Tribunal or as required under applicable law and it shall not be valid for any other purpose. This opinion is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.
- The Report assumes that the Transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Transacting Companies will be managed competently and responsibly. Further, this Report has not considered matters of a legal nature, including issues of legal title and compliance with local laws, litigation and other contingent liabilities that are not represented to us by the Management. Our fairness opinion assumes that the assets and liabilities of the Transacting Companies, reflected in their respective balance sheet remain intact as of the Report date.
- The Report does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- This fairness opinion is issued on the understanding that each of the Transacting Companies has drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the

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000048/2024





financial position or businesses up to the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

- Certain terms of the Proposed Transaction are stated in our fairness opinion, however the detailed terms of the Proposed Transaction shall be more fully described and explained in the Scheme document to be submitted to relevant authorities in relation to the Proposed Transaction. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.
- The fee for the engagement is not contingent upon the results reported.
- We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Transacting Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on the part of the Transacting Companies, their directors, employees or agents.
- This report is not a substitute for the third party's due diligence/appraisal/inquiries/ independent advice that the third party should undertake for his purpose.
- This Report is subject to the laws of India.
- Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed scheme of amalgamation and filing it with relevant authorities, without our prior written consent.
- In addition, this report does not in any manner address the prices at which equity shares of VDCL will trade following the announcement of the Proposed Transaction and we express no opinion or recommendation as to how the shareholders of Transacting Companies should vote at any shareholder's meeting(s) to be held in connection with the Proposed Transaction. Our opinion contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.
- The Merchant Banker - Kunvarji, is also engaged in providing services as a Stock Broker, Depository Participant and Portfolio Manager in its name and as an Investment Adviser in the name of its subsidiary. Apart from this, Kunvarji, its directors, promoters, employees, affiliates and associates, are engaged in investing/ trading in the securities market on their respective accounts. The Merchant Banking Division of Kunvarji takes utmost care, through the effective implementation of principles of maintenance of the Chinese wall, to ensure that no information received by the Merchant Banking Division is not shared with or otherwise accessible to other departments of Kunvarji, and/or its promoters, directors, employees (other than employees of Merchant Banking Division), affiliates and associates. The proprietary trading account of Kunvarji and /or its promoters, directors, employees,

**Kunvarji Finstock Pvt. Ltd.**

☎ +91 79 6666 9000 ✉ [mb@kunvarji.com](mailto:mb@kunvarji.com)

🏢 Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Ahmedabad - 380 051.

Corporate Office : 1218-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema,

Near Western Express Highway – Metro Station, Andheri (E), Mumbai, Maharashtra - 400093.

CIN - U65910GJ1986PTC008979

000049/2024





affiliates, associates and clients of broking, PMS services and Investment Advisory services may execute transactions and/or hold open long or short positions in the ordinary course of business in the securities issued by a listed company who itself or its affiliate or associate entity proposes to engage Merchant Banking Division of Kunvarji for providing services to itself or its associate or affiliate company.

## 5. OUR RECOMMENDATION

As stated in the equity share exchange ratio report dated June 26, 2024 jointly prepared by SSPA & Co., Chartered Accountants, Registered Valuer – Securities or Financial Assets and CA Prashant Ghorela, Registered Valuer – Securities and Financial Assets, Independent Valuers have recommended the following:

To the equity shareholders of MDSL for the Proposed Amalgamation of MDSL with and into VDCL:

***"1 (One) fully paid-up equity shares having a face value of INR 1 (One) each of the Transferee Company shall be issued and allotted for every 22 (Twenty Two) fully paid-up equity shares having a face value of INR 10 (Ten) each held in the Transferor Company".***

The aforesaid Proposed Transaction shall be pursuant to the draft scheme of amalgamation and shall be subject to receipt of approval from the Hon'ble NCLT, Hyderabad Bench or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the Proposed Transaction are more fully outlined in the draft scheme of amalgamation. Kunvarji has issued the fairness opinion with the understanding that the draft scheme of amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of amalgamation alters the Proposed Transaction.

Based on the information, and data made available to us, to the best of our knowledge and belief, the share exchange ratio as recommended by SSPA & Co., Chartered Accountants, Registered Valuer – Securities or Financial Assets and CA Prashant Ghorela, Registered Valuer – Securities and Financial Assets in relation to the proposed draft scheme of amalgamation is ***fair*** to the equity shareholders of VDCL in our opinion.

**For, Kunvarji Finstock Private Limited**

**Mr. Kunal Shah**

**Director (DIN: 00049623)**



**Date: June 26, 2024**

**Place: Ahmedabad**

**Kunvarji Finstock Pvt. Ltd.**

☎ +91 79 6666 9000 ✉ [mb@kunvarji.com](mailto:mb@kunvarji.com)

🏢 Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Ahmedabad - 380 051.

Corporate Office : 1218-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema,

Near Western Express Highway – Metro Station, Andheri (E), Mumbai, Maharashtra - 400093.

CIN - U65910GJ1986PTC008979

000050/2024





**M. ANANDAM & CO.,**  
CHARTERED ACCOUNTANTS

Date: 26<sup>th</sup> June, 2024

To,  
**The Board of Directors**  
**Medinova Diagnostic Services Limited**  
H. No. 7-1-58, Unit No. 1 / Flat No. 301,  
3rd Floor, Amrutha Business Complex,  
Ameerpet, Hyderabad – 500016,  
Telangana, India

**1. Introduction**

We, the Statutory auditors of Medinova Diagnostic Services Limited (herein after referred as the ("Company")), have examined Clause 25 of Section 2 Part C of the draft Scheme of Amalgamation of Medinova Diagnostic Services Limited ("Transferor Company") with Vijaya Diagnostic Centre Limited ("Transferee Company") and their respective shareholders and creditors ("the Scheme") under provisions of SEBI Circular, Sections 230 to 232 and other applicable provisions of the Companies Act 2013 ("the Act") and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules") with reference to its compliance with the applicable Indian Accounting Standards notified under section 133 of the Act and Other Generally Accepted Accounting Principles.

**2. Management's Responsibility**

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and Regulations, including the applicable Indian Accounting Standards as aforesaid is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of draft scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. The management is also responsible for ensuring that the Company complies with the requirements of the Act and the rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the SEBI circular, and the applicable accounting standards, in relation to the Draft Scheme, and for providing all relevant information to the relevant National company Law Tribunal, the SEBI, and BSE Limited.

**3. Auditor's Responsibility**

Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Indian Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity as the Statutory Auditors of any financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India to the extent applicable. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We hereby confirm that while providing this certificate we have complied with the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform audits and reviews of historical financial information, and other assurance and related services engagements, issued by the Institute of Chartered Accountants of India.



#### 4. Conclusion

Based on our examination and according to the information and explanations given to us, along with the representations provided to us by the management, the Company shall be amalgamated with Vijaya Diagnostic Centre Limited with effect from the appointed date and shall stand dissolved without winding up in terms of Section 1 of Part C of the Scheme. Accordingly, we understand that no accounting treatment shall be required in the books of accounts of the Company pursuant to the Scheme becoming effective.

#### 5. Restriction on use

This certificate is issued at the request of the Board of Directors of the Company solely for the purpose of onward submission to the NCLT, BSE Limited and National Stock Exchange of India Limited and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of SEBI regulations and sections 230 to 232 of the Act read with relevant rules issued thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For M. Anandam & Co  
Chartered Accountants

Firm's registration No: 000125S



Madhuri Chimalgi  
Partner



Membership No: 235955

UDIN: 24235955BK CJWE6754

Place: Secunderabad

Date: 26-06-2024



# B S R and Co

Chartered Accountants

Salarpuria Knowledge City, Orwell  
B Wing, 6th Floor, Unit-3, Sy No. 83/1  
Plot No. 02, Raidurg  
Hyderabad – 500 081, India  
Telephone + 91 407 182 2000  
Fax + 91 407 182 2399

The Board of Directors  
Vijaya Diagnostic Centre Limited  
No. 6-3-883/F, FPA Building,  
Punjagutta, Hyderabad,  
Telangana 500082

26 June 2024

**Independent Auditor's Certificate in relation to proposed accounting treatment in the books of Vijaya Diagnostic Centre Limited as specified in the Proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited with Vijaya Diagnostic Centre Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013**

1. This certificate is issued in accordance with the terms of our engagement letter dated 05 June 2024.
2. We have been requested by the management of Vijaya Diagnostic Centre Limited ("the Company" or "Transferee Company") to issue a certificate in relation to the proposed accounting treatment specified in Clause 24 of the proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited with the Transferee Company and their respective shareholders and creditors ("Proposed Scheme"), as reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") with reference to its compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under ("SEBI regulations"), applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant Rules issued thereunder and other Generally Accepted Accounting Principles in India.
3. The Proposed Scheme is approved by the Board of Directors of the Transferee Company and the Transferor Company on 26 June 2024 and is subject to approval of the respective Shareholders, the National Company Law Tribunal ("NCLT") and Statutory and Regulatory Authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 01 April 2024.

**Management's Responsibility**

4. The preparation of the Proposed Scheme as reproduced in the Annexure A and its compliance with the SEBI regulations, relevant provision of the Act, laws and regulations, including the applicable Ind AS read with the Rules made, issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the management of the Companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents.
5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme as reproduced in Annexure A and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.



Principal Office:

14th Floor, Central B Wing and North C Wing, Neasco IT Park 4, Neasco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

**B S R and Co**

**Independent Auditor's Certificate in relation to proposed accounting treatment in the books of Vijaya Diagnostic Centre Limited as specified in the Proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited with Vijaya Diagnostic Centre Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013 (continued)**

6. The Company's management is also responsible for ensuring that the Company complies with the requirements of Companies Act, 2013 and SEBI regulations and providing all relevant information with respect to the Proposed Scheme to the NCLT.

**Auditor's Responsibility**

7. Pursuant to the requirements of provisions of Section 232 of the Companies Act, 2013 and SEBI regulations, our responsibility is to provide a reasonable assurance whether the proposed accounting treatment specified in Clause 24 of the Proposed Scheme and as reproduced in Annexure A to this certificate is in compliance with SEBI regulations and in conformity with the Ind AS prescribed under Section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India.
8. We conducted our examination of the proposed accounting treatment referred to in Clause 24 of the Proposed Scheme and as reproduced in Annexure A in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

10. As per Section 232(6) of the Act, the Proposed Scheme has to provide for the appointed date from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 01 April 2024 in the Proposed Scheme.

Based on our examination and according to the information and explanations given to us and appropriate representations obtained from the Company, the proposed accounting treatment referred to in Clause 24 of the Proposed Scheme and as reproduced in Annexure A to this certificate, initialed and stamped by us for the purpose of identification only, is in compliance with SEBI regulations and is in conformity with Ind AS 103 'Business Combinations' i.e. the applicable Accounting Standards prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India.



**B S R and Co**

**Independent Auditor's Certificate in relation to proposed accounting treatment in the books of Vijaya Diagnostic Centre Limited as specified in the Proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited with Vijaya Diagnostic Centre Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013 (continued)**

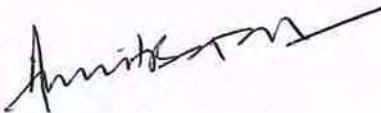
**Restriction on use**

11. This certificate is issued at the request of the management of the Transferee Company solely for the purpose of onward submission to NCLT, BSE Limited, National Stock Exchange of India Limited and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of SEBI regulations and Sections 230 to 232 of the Act and relevant Rules thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

*for B S R and Co*

*Chartered Accountants*

ICAI Firm registration number: 128510W



**Amit Kumar Bajaj**

*Partner*

Membership No.: 218685

UDIN: 24218685BKGPOX2833



Place: Hyderabad

Date: 26 June 2024



**VIJAYA  
DIAGNOSTIC  
CENTRE**

## Annexure A

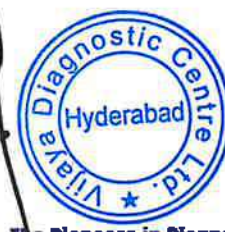
Relevant extract of "Accounting treatment" in relation to proposed accounting treatment in the books of Vijaya Diagnostic Centre Limited as specified in the Proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited with Vijaya Diagnostic Centre Limited and their respective shareholders and creditors pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013

### Extract of Clause 24 of the Proposed scheme

#### Accounting Treatment Pursuant to the Scheme of Amalgamation

Pursuant to Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferee Company shall account for the Amalgamation of the Transferor Company with the Transferee Company in its books of account as per the "Pooling of Interest Method" in accordance with the accounting principles as laid down in the Appendix C of Indian Accounting Standard 103 (Business Combinations), notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and relevant clarifications issued by the Institute of Chartered Accountants of India, which shall be specifically as under:

- (a) All the assets and liabilities appearing in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values, from the earliest period presented in the financial statements i.e. the financial information in the financial statements in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- (b) In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies.
- (c) The amount of any inter-company balances, amounts or investments between the Transferor Company and the Transferee Company, appearing in the books of account of the respective companies, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.
- (d) The identity of the retained earnings and reserves of the Transferor Company, if any, to the extent possible shall be preserved and they shall appear in the Financial Statements of the Transferee Company in the same form and manner, in which they appeared in the Financial Statements of the Transferor Company, prior to this Scheme becoming effective. Accordingly, if, prior to this Scheme becoming effective there is any reserve in the Financial Statements of the Transferor Company available for distribution as dividend, the same shall also be available in the Financial Statements of the Transferee Company for distribution as dividend on and after the Effective Date.





**VIJAYA  
DIAGNOSTIC  
CENTRE**

**Annexure A**

**Relevant extract of "Accounting treatment" in relation to proposed accounting treatment in the books of Vijaya Diagnostic Centre Limited as specified in the Proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited with Vijaya Diagnostic Centre Limited and their respective shareholders and creditors pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 (continued)**

- (e) The face value of the Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company shall be credited to the equity share capital of the Transferee Company.
- (f) The difference between the value of the Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company as per Clause 12 of this scheme and the amount of share capital of the Transferor Company shall be transferred to 'Capital Reserve' (if credit balance) or 'Amalgamation Reserve' (if debit balance) and should be presented separately from other reserves with disclosure of its nature and purpose in the notes.
- (g) Notwithstanding anything mentioned in the Scheme, upon the Scheme becoming effective, Transferee Company shall account for the transfer as per Indian accounting standard (Ind AS) 103 or any other accounting standard as applicable notified under Section 133 of the Companies Act 2013, as may be amended from time to time, in its books of account.

Certified true copy

For Vijaya Diagnostic Centre Limited

Name : Supriya Reddy  
Designation : Managing Director





DCS/AMAL/JP/R37/3430/2024-25

December 05, 2024

The Company Secretary,  
**Vijaya Diagnostic Centre Ltd,**  
 6-3-883/F, FPA Building,  
 Near Topaz building,  
 Punjagutta, Hyderabad,  
 Telangana, 500082

The Company Secretary,  
**Medinova Diagnostic Services Ltd.**  
 H. No. 7-1-58, Unit No. 1/Flat No. 301,  
 3rd Floor, Amrutha Business  
 Complex, Ameerpet, Hyderabad,  
 Telangana, 500016

Dear Sir,

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Medinova Diagnostic Services Limited (Transferor Company) with and into Vijaya Diagnostic Centre Limited (Transferee Company) and their respective shareholders & creditors.**

We are in receipt of the Draft Scheme of Amalgamation of Medinova Diagnostic Services Limited (Transferor Company) with and into Vijaya Diagnostic Centre Limited (Transferee Company) and their respective shareholders & creditors under Section 230 to 232 of the Companies Act, 2013 as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37 & 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS Divl/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated December 05, 2024 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- a. "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "The Company shall ensure compliance with SEBI circulars issued from time to time."
- d. "The entities involved in the Scheme shall duly comply with various provisions of the SEBI master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to shareholders."



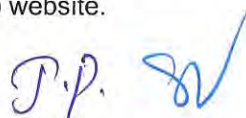
Page 1 of 3



- h. "The Company is advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to make an informed decision
- Details of (pre and post scheme) assets & liabilities of VDCL and MDSL, as applicable.
  - Valuation methods, rationale, assumptions considered for arriving at the share entitlement ratio.
  - Impact of the scheme on revenue generating capacity of Company.
  - Rationale & Synergies of the Scheme and its impact on the public shareholders.
  - Impact of liabilities of MDSL on the business of VDCL post scheme of arrangement, as provided vide VDCL letter dated November 01, 2024.
  - Details of complaints received, if any, along with response of the company for resolution of complaints.
  - The number of shareholders who would be affected due to the fractional entitlement as per the draft scheme of arrangement.
  - The proposal of scheme of arrangement shall be considered as approved only if the votes cast by public shareholders in favour of the proposal is more than the number of votes cast by public shareholders against it.
- i. "Company is advised that proposed equity shares proposed to be issued as part of the "Scheme" shall mandatorily be in demat form only."
- j. "Company shall ensure that the "Scheme" shall be acted upon subject to the complying with the relevant clauses mentioned in the scheme document."
- k. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- l. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- m. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.



- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders; while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Byelaws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



Sabah Vaze  
Senior Manager



Jayanti Pradhan  
Assistant Manager





Ref: NSE/LIST/42512

December 06, 2024

The Company Secretary  
Vijaya Diagnostic Centre Limited  
6-3-883/F, FPA Building.  
Near Topaz building,  
Punjagutta. Hyderabad 500082.

Kind Attn.: Mr. Hansraj Singh

Dear Sir,

**Sub: Observation Letter for draft scheme of arrangement between Medinova Diagnostic Services Limited (“Transferor Company/ MDSL”) and Vijaya Diagnostic Centre Limited (“Transferee Company/ VDCL”) and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013.**

We are in receipt for captioned draft scheme of arrangement filed by Vijaya Diagnostic Centre Limited.

Based on our letter reference no. NSE/LIST/42512 dated September 30, 2024, submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. SEBI vide its letter dated December 05, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.*
- c) *The Company shall ensure compliance with the SEBI Circular issued from time to time.*
- d) *The Companies involved in the Scheme shall duly comply with various provisions of the SEBI Master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- e) *The Company shall ensure that information pertaining to all the Unlisted Companies, if any, involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*



Signer: KHYATI NANDAN VIDWANS  
Date: Fri, Dec 6, 2024 20:37:47 IST  
Location: NSE

- f) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- g) *The Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*
- h) *The Company shall ensure that the company discloses the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.*
- i. *Details of (pre & post scheme) Assets and Liabilities of VDCL and MDSL, as applicable.*
  - ii. *Valuation methods, rationale and assumptions considered for arriving at the share exchange ratio.*
  - iii. *Rationale & synergies of the scheme and its impact on the public shareholders.*
  - iv. *Impact of liabilities of MDSL on the business of VDCL post scheme of arrangement, as provided vide VDCL's letter dated November 01, 2024.*
  - v. *Details of complaints received, if any, along with response of the company for resolution of complaints.*
  - vi. *The number of shareholders who would be affected due to the fractional entitlement as per the draft scheme of arrangement.*
  - vii. *The proposal of scheme of arrangement shall be considered as approved only if the vote cast by public shareholders in favour of the proposal is more than the number of votes cast by public shareholders against it.*
- i) *The Company shall ensure that the proposed equity shares, if any, to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- j) *The Company shall ensure that the "Scheme" shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.*
- k) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- l) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- m) *The Company shall ensure to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder, including obtaining the consent from the creditors for the proposed scheme.*
- n) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme b*

This Document is Digitally Signed



Signer: KIRYATI NANDAN VIDWANS  
Date: Fri, Dec 6, 2024 20:57:47 IST  
Location: NSE



*company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India Limited (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Listed entities involved in the proposed Scheme shall disclose the No-Objection Letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from December 06, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Khyati Vidwans  
Senior Manager

This Document is Digitally Signed



Signer: KHYATI NANDAN VIDWANS  
Date: Fri, Dec 6, 2024 20:37:47 IST  
Location: NSE

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

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Date: July 27, 2024

To,  
The General Manager  
Department of Corporate Services  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051,  
Maharashtra, India.

Dear Sir/ Madam,

Company's Scrip Code in BSE : 543350  
Company's Symbol in NSE : VIJAYA  
ISIN : INE043W01024

**Sub:** Complaint report to be filed with the Stock Exchanges under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited (the "Transferor Company") with and into Vijaya Diagnostic Centre Limited (the "Transferee Company") and their respective shareholders and creditors ("Scheme")

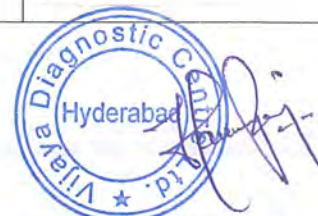
**Ref:** Report on Complaint in terms of Paragraph 6 of Part I of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 as amended from time to time ("SEBI Master Circular")

**Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

**Part B**

Sr. No.	Name of complainant	Date of complaint	Status
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil
3.	Nil	Nil	Nil

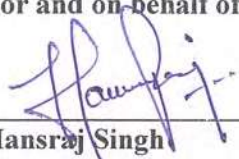




**Notes:**

- NSE had uploaded the Scheme along with all the related documents on its website on July 03, 2024.
- This complaint report is being filed post expiry of 21 days from the above-mentioned date.

**For and on behalf of Vijaya Diagnostic Centre Limited**

  
**Hansraj Singh**  
**Company Secretary & Compliance Officer**  
M. No: F11438  
Place: Hyderabad  
Date: July 27, 2024







**VIJAYA  
DIAGNOSTIC  
CENTRE**

Date: July 31, 2024

To,  
The General Manager  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> floor, Dalal Street,  
Mumbai – 400 001,  
Maharashtra, India.

Dear Sir/ Madam,

Company's Scrip Code in BSE : 543350  
Company's Symbol in NSE : VIJAYA  
ISIN : INE043W01024

**Sub:** Complaint report to be filed with the Stock Exchanges under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited (the "Transferor Company") with and into Vijaya Diagnostic Centre Limited (the "Transferee Company") and their respective shareholders and creditors ("Scheme")

**Ref:** Report on Complaint in terms of Paragraph 6 of Part I of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time ("SEBI Master Circular")

#### Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

#### Part B

Sr. No.	Name of complainant	Date of complaint	Status
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil
3.	Nil	Nil	Nil





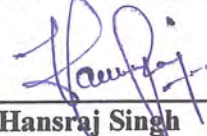


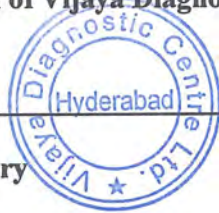
**VIJAYA  
DIAGNOSTIC  
CENTRE**

**Notes:**

- BSE had uploaded the Scheme along with all the related documents on its website on July 09, 2024.
- This complaint report is being filed post expiry of 21 days from the above-mentioned date.

**For and on behalf of Vijaya Diagnostic Centre Limited**

  
**Hansraj Singh**  
**Company Secretary**  
M. No: F11438  
Place: Hyderabad  
Date: July 31, 2024



**Date:** July 31, 2024

**To,**  
**The General Manager**  
**Department of Corporate Services**  
**BSE Limited**  
 Phiroze Jeejeebhoy Towers,  
 25<sup>th</sup> floor, Dalal Street,  
 Mumbai – 400 001,  
 Maharashtra, India.

**Dear Sir/ Madam,**

Company's Scrip Code in BSE : 526301  
 ISIN : INE047C01019

**Sub:** Complaint report to be filed with the Stock Exchange under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation of Medinova Diagnostic Services Limited (the “Transferor Company”) with and into Vijaya Diagnostic Centre Limited (the “Transferee Company”) and their respective shareholders and creditors (“Scheme”)

**Ref:** Report on Complaint in terms of Paragraph 6 of Part I of the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time (“SEBI Master Circular”)

**Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

**Part B**

Sr. No.	Name of complainant	Date of complaint	Status
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil
3.	Nil	Nil	Nil

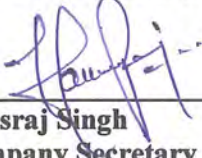


**Regd. Office:** H. No. 7-1-58, Unit No. 1 / Flat No. 301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad – 500016, Telangana, India, Phone- 040 - 42604250, E-mail: [medicorp@medinovaindia.com](mailto:medicorp@medinovaindia.com), Website- [www.medinovaindia.com](http://www.medinovaindia.com)

**Notes:**

- BSE had uploaded the Scheme along with all the related documents on its website on July 09, 2024.
- This complaint report is being filed post expiry of 21 days from the above-mentioned date.

**For and on behalf of Medinova Diagnostic Services Limited**

  
**Hansraj Singh**  
**Company Secretary**  
M. No: F11438  
Place: Hyderabad  
Date: July 31, 2024







**Date: March 25, 2025**

To,  
The Equity Shareholders  
Medinova Diagnostic Services Limited  
H. No. 7-1-58, Unit No. 1/Flat No.301,  
3rd Floor Amrutha Business Complex, Ameerpet,  
Hyderabad - 500016, Telangana, India

Dear Sir/Madam,

Company's Scrip Code in BSE : 526301  
ISIN : INE047C01019

**Subject:** Scheme of arrangement between Medinova Diagnostic Services Limited ("Transferor Company/ MDSL") and Vijaya Diagnostic Centre Limited ("Transferee Company/ VDCL") and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013

This is to confirm that Medinova Diagnostic Services Limited ("Company") with CIN: L85110TG1993PLC015481 and having its registered office at H. No. 7-1-58, Unit No. 1/ Flat No.301, 3rd Floor Amrutha Business Complex, Ameerpet, Hyderabad - 500016, Telangana, India, has no ongoing adjudication and recovery proceedings, prosecution initiated or any other enforcement action taken against the Company and/ or its promoters and the directors, apart from those arising in the ordinary course of business, which would not materially adversely affect the operations or financial position of the Company, Promoters and Directors.

The above declaration is based on verification of the books of accounts of the Company and the information available with the management.

Thanking you.

Yours sincerely,

For and on behalf of Medinova Diagnostic Services Limited



**Hansraj Singh**  
Company Secretary & Compliance Officer  
M. No.: F11438  
Place: Hyderabad

**Regd. Office:** H. No. 7-1-58, Unit No. 1 / Flat No. 301, 3rd Floor, Amrutha Business Complex, Ameerpet, Hyderabad – 500016, Telangana, India, Phone- 040 - 42604250, E-mail: [cs@medinovaindia.com](mailto:cs@medinovaindia.com), Website- [www.medinovaindia.com](http://www.medinovaindia.com)



**VIJAYA  
DIAGNOSTIC  
CENTRE**

**Date: March 25, 2025**

**To,**  
**The Equity Shareholders; and**  
**Unsecured Creditors**  
**Vijaya Diagnostic Centre Limited**  
No.6-3-883/F, FPA Building, Near Topaz building,  
Punjagutta, Hyderabad - 500082, Telangana, India

Dear Sir/Madam,

Company's Scrip Code in BSE : 543350  
Company's Symbol in NSE : VIJAYA  
ISIN : INE043W01024

**Subject: Scheme of arrangement between Medinova Diagnostic Services Limited ("Transferor Company/ MDSL") and Vijaya Diagnostic Centre Limited ("Transferee Company/ VDCL") and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013**

This is to confirm that Vijaya Diagnostic Centre Limited ("Company") with CIN: L85195TG2002PLC039075 and having its registered office at No.6-3-883/F, FPA Building, Near Topaz building, Punjagutta, Hyderabad - 500082, Telangana, India, has no ongoing adjudication and recovery proceedings, prosecution initiated, or any other enforcement action taken against the Company and/ or its promoters and directors, apart from those arising in the ordinary course of business, which would not materially adversely affect the operations or financial position of the Company, Promoters and Directors.

The above declaration is based on verification of the books of accounts of the Company and the information available with the management.

Thanking you.

Yours sincerely,

For and on behalf of Vijaya Diagnostic Centre Limited



**Hansraj Singh**  
**Company Secretary & Compliance Officer**  
M. No.: F11438  
Place: Hyderabad