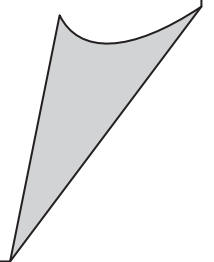


VIJAYA DIAGNOSTIC CENTRE LIMITED

19TH ANNUAL REPORT

F.Y.2020-21



NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of **Vijaya Diagnostic Centre Limited** (formerly known as *Vijaya Diagnostic Centre Pvt Ltd*) will be held on Wednesday, the 4th Day of August, 2021 at 3.30 p.m (IST) at the corporate office of the Company situated at D. No: 6-3-883/F, Ground Floor, Family Planning Association of India, Lane besides Topaz Building, Punjagutta, Hyderabad – 500082, Telangana to transact the following business at shorter notice:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. The Audited standalone financial statements of the Company for the financial year ended on 31st March, 2021 along with schedules or notes made there under and reports of the Board of Director's and the Auditor's thereon.
 - b. The Audited consolidated financial statements of the Company for the financial year ended on 31st March, 2021 along with schedules or notes made there under and report of the Auditor's thereon.
2. To appoint a Director in the place of Dr. S. Surendranath Reddy (DIN: 00108599), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. Ratification of remuneration of Cost auditor.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force, remuneration of Rs. 30,000/- (Thirty thousand) plus applicable GST & reimbursement of out of pocket expenses, if any, as approved by the Board of Directors be paid to Mr. N. V.S. Kapardhi, Cost and Management Accountant, (Registration No. 9488) appointed by the Board of Directors as Cost Auditor of the Company for the financial year 2021-22, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution."

By order of the Board
For Vijaya Diagnostic Centre Limited
(formerly known as *Vijaya Diagnostic Centre Pvt. Ltd*)

Place: Hyderabad.
Date: 24-07-2021

D.Surendranath Reddy
Executive Chairman
DIN: 00108599

NOTES:

1. Considering the on-going Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") a facility to participate in the AGM of the Company through VC / OAVM is being provided to the members of the Company besides an option to present in person at the AGM at the venue.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BECOME VALID, THE PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.
3. In case of a member who wishes to participate in the AGM through VC/OAVM, the facility of appointment of proxies by such members will not be available for this AGM.
4. The attendance of the Members participating through VC/OAVM at the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Details of login credentials for participating through VC/OAVM at the AGM shall be sent separately to all the members and such facility to join the AGM in the VC/OAVM mode shall be opened 30 minutes before the scheduled time of the commencement of the Meeting and shall be kept open throughout the proceedings of the Meeting..
6. Relevant documents referred to in the accompanying Notice and the statements are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the AGM.
7. Register of Director's and KMP shareholding and Contracts shall be available for inspection electronically at the AGM to the members who participate through VC/OAVM facility.
8. In terms of the requirements of the Secretarial Standards -2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, Route Map for the location of the aforesaid meeting is enclosed.
9. The relevant details of the Director seeking reappointment at this AGM as required under Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') is annexed hereto.
10. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business is annexed thereto.
11. Corporate shareholders are required to send a scanned copy of their respective Board or governing body Resolution / Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf.
12. The Notice of the 19th AGM along with the Annual Report for the FY 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same.

**EXPLANATORY STATEMENT
PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

ITEM NO. 3

As per the provisions of Section 148 of the Act and relevant Rules made thereunder, Company is required to get the cost accounting records audited by a Cost Management Accountant. Accordingly the Board of Directors at their meeting held on May 27, 2021 had re-appointed Mr. N. V.S. Kapardhi, Cost and Management Accountant, (Registration No. 9488) as Cost Auditor for the Financial year 2021-22, to audit the Cost accounts of the Company.

Pursuant to Rule 14 of the Companies (Audit and Accounts) rules, 2014, the members of the Company has to ratify the remuneration payable to Cost Auditor, as approved by the Board of Directors. Accordingly the member's approval, to ratify the remuneration as approved or fixed by the Board, is sought at item no. 3 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution set out at item no. 3.

The Board recommends the Ordinary Resolution as set out at item no. 3 of the Notice for approval of the Members.

By order of the Board
For Vijaya Diagnostic Centre Limited
(formerly known as Vijaya Diagnostic Centre Pvt. Ltd)

Place: Hyderabad.
Date: 24-07-2021

D.Surendranath Reddy
Executive Chairman
DIN: 00108599

Annexure to Notice

The details of the Director seeking reappointment at the ensuing AGM as required under Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') is provided hereunder:

Name of Director	Dr. Sura Surendranath Reddy
Director Identification Number	00108599
Date of Birth	29.10.1948
Date of first Appointment	05.06.2002
Qualification	MD (Radiology)
Category	Executive Director
Terms & Conditions of Re-Appointment along with Remuneration sought to be paid	Being reappointed as a Director liable to retire by rotation and all other terms of his appointment as Executive Director/Executive Chairman shall remain same. Members of the Company at the EGM held on 27.05.2021 had approved remuneration of Rs. 2 cr per annum effective from 01.06.2021.
Remuneration paid for FY 2020-21	
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Dr. Surendranath Reddy is related to Mrs.S.Geeta Reddy, Mr. K. Sunil Chandra and Ms.S.Suprita Reddy
Brief Resume and expertise in specific functional area	A doctor by profession and has experience in providing comprehensive range of diagnostic services spanning radiology and imaging ,nuclear medicine, conventional and specialist lab services through the companies established by him.
Directorships held in other Companies as on March 31, 2021	7
Chairman / Member of the Committee of the Board of Directors of the Company	NIL
No. of Board Meetings attended during the year	6
Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2021	Member of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee in Medinova Diagnostic Services Ltd.
No. of Equity Shares of Rs.1/- held in the Company as on 31.03.2021	2,68,16,030*

**As on date of the Notice, he holds 3,87,19,143 equity shares of Re.1/- each.*

VIJAYA DIAGNOSTIC CENTRE LIMITED
(formerly known as Vijaya Diagnostic Centre Pvt. Ltd)

Registered Office: 3-6-16 & 17, Street No.19 Himayatnagar Hyderabad Telangana 500029
CIN: U85195TG2002PLC039075; Ph: 040 23420422 to 27
Email: cs@vijayadiagnostic.in; Website: www.vijayadiagnostic.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE AGM VENUE.

I/We hereby record my/our presence at the 19th Annual General Meeting of the Company on Wednesday, August 4, 2021 at 3.30 pm. at Corporate Office of the Company at D. No.6-3-883/F,FPA Building,Near Rajiv Gandhi Statue Lane Adjacent to Topaz building Hyderabad 500082.

For Physical Holding	For Electronic Form (Demat) NSDL / CDSL		No.
LF No.	DP ID	CLIENT ID	

Name of the Member: _____

Signature: _____

Name of the Proxyholder: _____

Signature: _____

Only Member / Proxyholder can attend the meeting.

VIJAYA DIAGNOSTIC CENTRE LIMITED
(formerly known as Vijaya Diagnostic Centre Pvt. Ltd)

Form No. MGT.11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration) Rules, 2014]

Registered Office: 3-6-16 & 17, Street No.19 Himayatnagar Hyderabad Telangana 500029

CIN: U85195TG2002PLC039075; Ph: 040 23420422 to 27

Email: cs@vijayadiagnostic.in; Website: www.vijayadiagnostic.com

Name of the member(s)		Email ID	
Registered Address		Folio No./ *Client ID	
		*DP ID	

I/We, being the member(s) holding _____ shares of Vijaya Diagnostic Centre Limited , hereby appoint:

1. Name : _____
email id : _____
Address : _____

Signature: _____
or failing him

2. Name : _____
email id : _____
Address : _____

Signature: _____

as my/our proxy to attend and vote for me/us and on my/our behalf at the 19th Annual General Meeting of the Company on Wednesday, August 4, 2021 at 3.30 pm. at Corporate Office of the Company at D. No.6-3-883/F, FPA Building, Near Rajiv Gandhi Statue Lane Adjacent to Topaz building Hyderabad 500082 and at any adjournment thereof in respect of such resolution as are indicated below:

item No.	Resolution	For	Against
Ordinary Business			
1.	To receive, consider and adopt : (a) the audited standalone financial statements of the company for the financial year ended March 31, 2021 together with the reports of the Board of Directors and the Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2021 together with the report of the Auditors thereon.		
2.	To appoint a Director in place of Dr. Sura Surendranath Reddy (holding DIN 00108599) who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
3.	Ratification of remuneration of Cost auditor.		

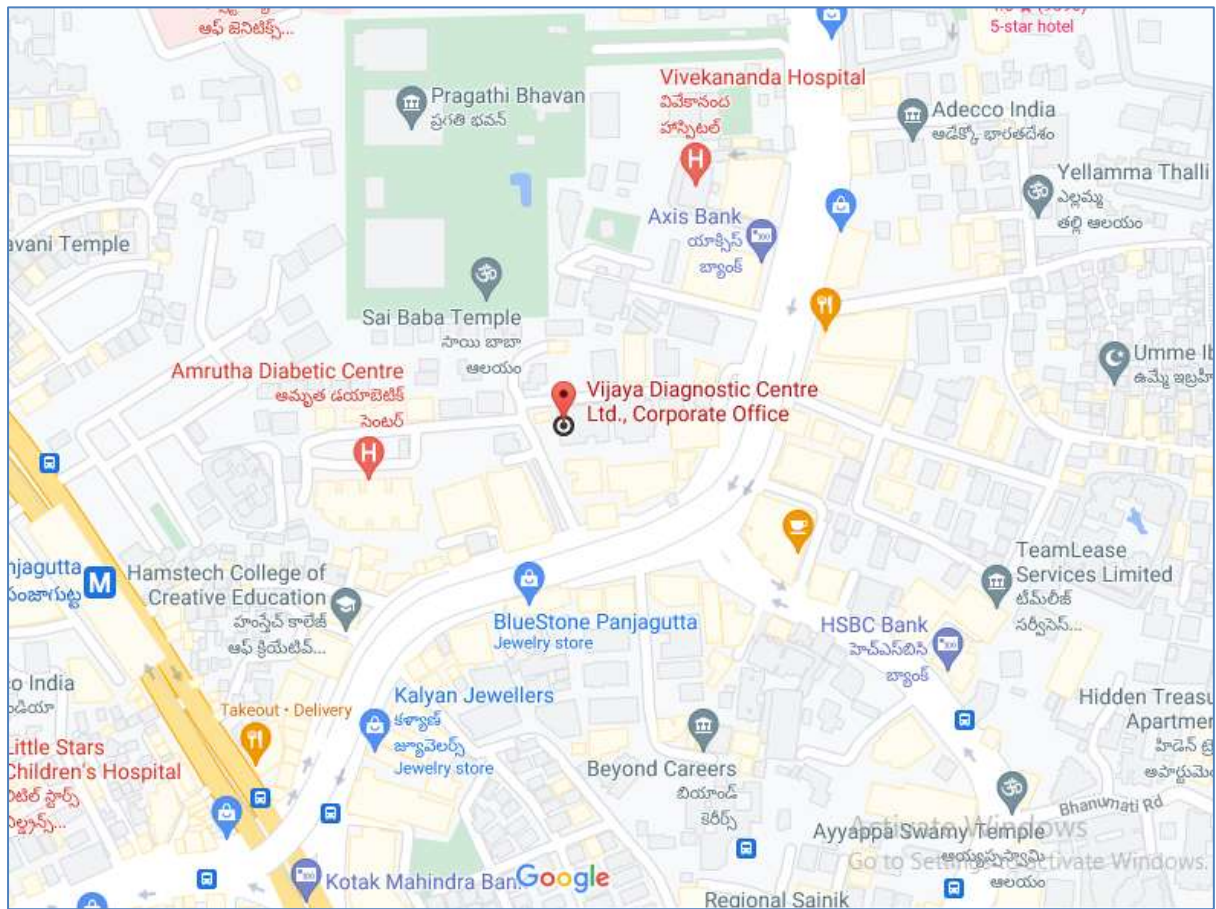
Signed _____ this day _____ of 2021

Signature of member _____ : Signature of proxy holder: _____

Affix
Re.1/-
Revenue
Stamp

Note: 1 The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. 2. The Proxy need not be a member of the Company.

ROUTE MAP - 19TH AGM OF VIJAYA DIAGNOSTIC CENTRE LIMITED



BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the Company's Nineteenth Annual Report along with the audited financial statements for the financial year ended March 31, 2021.

CONVERSION FROM PRIVATE TO PUBLIC LIMITED COMPANY

The shareholders of the Company at their Extra Ordinary General meeting held on March 22, 2021 had approved the conversion of Company as Public Limited Company. Ministry of Corporate Affairs issued a fresh Certificate of Incorporation on March 26, 2021 approving the change in name of the Company as "Vijaya Diagnostic Centre Limited" consequent to conversion of Company as Public Limited.

FINANCIAL SUMMARY

The performance of the Company for the year under review is summarized below:

Particulars	Standalone (Rs. in Lakhs)		Consolidated (Rs. In Lakhs)	
INCOME	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	36,731.59	32,865.12	37,674.57	33,882.09
Other Income	1,083.12	1,178.59	1,184.64	1,536.14
EXPENSES				
Operating Expenses	20,401.90	19,620.19	21,077.08	20,620.14
Finance Cost	1,481.23	1,481.84	1,524.60	1,538.43
Depreciation	4,972.96	4,766.63	5,045.14	4,916.94
Share of loss from LLP		-		-
Profit before Tax	10,958.62	8,175.05	11,212.39	8,342.72
Tax Expenses:				
Current tax	3,150.00	2,290.00	3,174.49	2,306.36
Taxes of earlier years	(23.53)	(29.12)	(21.58)	(26.83)
Deferred tax charge/(credit)	(450.00)	(209.63)	(453.17)	(214.42)
Total Tax expense	2,676.47	2,051.25	2,699.74	2,065.11
Profit after Tax	8,282.15	6,123.80	8,512.65	6,277.61
Other Comprehensive Income	3.49	(12.92)	(1.33)	(13.19)
Total Comprehensive Income	8,285.64	6,110.88	8,511.32	6,264.42

FINANCIAL PERFORMANCE REVIEW

The standalone and consolidated financial statements of the Company for the financial year ended March 31, 2021, have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) and the provisions of Companies Act, 2013.

Standalone

During the year under review, the Company generated revenue of Rs. 36,731.59 Lakhs as compared to Rs. 32,865.12 Lakhs in the previous year from the business operations registering a growth of 12 % in the total revenue. The company posted a healthy growth in revenue from operations despite impact of COVID-19 pandemic. The net profit after tax registered a robust growth of 35 % over corresponding period to Rs. 8,282.15 Lakhs from Rs. 6,123.80 Lakhs in FY2019-20.

Consolidated

In FY2020-21, the Company achieved consolidated revenue of Rs. 37,674.57 Lakhs as against Rs. 33,882.09 Lakhs in the previous year clocking a growth of 11% despite impact of COVID-19 pandemic. The Company has posted a consolidated net profit after tax of Rs. 8,512.65 Lakhs as against Rs. 6,277.61 Lakhs in the previous year registering a strong growth of 36% in the Profit after tax.

BUSINESS REVIEW

Your Company continues to prioritize volume growth while it continues to build a stronger differentiation around its brand. As the operations grow in size, the underlying emphasis will always be on driving an optimized cost structure in order to deliver consistent growth in margins.

Your Company during the year under review:

- Successfully implemented SAP
- Launched Home collection App for connecting on field phlebotomists
- Tested over 3.64 Lakh Covid RT-PCR Samples
- Scaled up Home Collection Services across the network
- Despite various challenges caused by COVID-19, we have successfully launched 7 Centers in and outside Hyderabad
- To improve the awareness among the common people, we have started Diagnostic Educational Webinar series by our Inhouse Expert Doctors
- Continued development of network infrastructure

AWARDS AND ACCOLADES

During the year 2021:

- Your Company was awarded the Award of Excellence for leading from the front during the pandemic under the 'Leading Diagnostic Chain of the Year' by Elets Technomedia Private Limited.
- Your centre at Karimnagar received the ISO 15189:2012 "Medical Laboratories – Requirements for quality and competence" for its facilities in the field of medical testing by National Accreditation Board for Testing and Calibration Laboratories ("**NABL**")
- Your centre at Kurnool received scope of accreditation from National Accreditation Board for Hospitals and Healthcare Providers ("**NABH**")
- Your Company received the certificate of recognition from the Economic Times as one of the 'Best Healthcare Brands -2021'

DIVIDEND

With a view to conserve the resources in long run, the Directors have not recommended any dividend for the year ended March 31, 2021.

TRANSFER TO GENERAL RESERVES

During the year under review, no amount has been transferred to the General Reserves of the Company.

SUBSIDIARY COMPANIES

Your Company have the following 5 subsidiaries (including step down subsidiaries) as on March 31, 2021.

1. Medinova Diagnostic Services Limited
2. Doctorslab Medical Services Private Limited
3. VDC Diagnostics (Karnataka) LLP
4. Namrata Diagnostic Centre Private Limited
5. Medinova Millennium MRI Services, LLP

There was no material change in the nature of the business carried on by the subsidiaries during the year under review.

As per the provisions of Section 129 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary Companies is prepared in Form AOC-1 and is attached as Annexure – I.

Your Company does not have any Associate Company or Joint Venture as on March 31, 2021. None of the Companies have become or ceased to become subsidiary, associate and joint ventures during the year under review.

CHANGES IN SHARE CAPITAL OF THE COMPANY

During the year under review, pursuant to provisions of Section 61(1)(d) of the Companies Act, 2013 ("Act"), shareholders of the Company at the Extra Ordinary General Meeting held on March 22, 2021 approved the sub division of equity shares having a face value of Rs.10/- each into 10 (Ten) equity shares having a face value of Re.1/- each.

On May 27, 2021 Board of Directors of the Company have issued 5,66,47,736 bonus equity shares of face value Re. 1 each to its shareholders in the ratio of 5 (Five) fully paid bonus Equity Shares for every 4 (Four) existing Equity Shares, in accordance with the provisions of Companies Act, 2013 and Foreign Exchange Management (Non- Debt Instruments) Rules, 2019.

As a result, paid up share capital of the Company has been increased from Rs.4,53,18,190/- to Rs. 10,19,65,926/-.

During the year under review, the Company has neither issued any shares with differential voting rights, nor has bought back any of its shares. It has also not issued any sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs. S. Geeta Reddy was appointed as Director (Non-Executive) at the 18th Annual General Meeting held on 28.09.2020.

As on the date of signing this Report, the following changes took place in the composition of Directors and Key Managerial Personal;

S. No.	Name of the Director	Date of Appointment	Particulars
1.	Mr. Shekhar Prasad Singh	26.05.2021	Appointed as Additional Director
2.	Dr. Duvvur Nageshwar Reddy	26.05.2021	Appointed as Additional Director
3.	Mr. Satyanarayana murthy chavali	26.05.2021	Appointed as Additional Director
4.	Mr. Sri Varaha Lakshmi Narsimha Pamidigantam	26.05.2021	Appointed as Additional Director
5.	Mr. Shekhar Prasad Singh	26.05.2021 (EGM)	Change in designation as Independent Director
6.	Dr. Duvvur Nageshwar Reddy	26.05.2021 (EGM)	Change in designation as Independent Director
7.	Mr. Satyanarayana Murthy Chavali	26.05.2021 (EGM)	Change in designation as Independent Director
8.	Mr. Sri Varaha Lakshmi Narsimha Pamidigantam	26.05.2021 (EGM)	Change in designation as Independent Director

Ms. Sandhya Rani Sama vide letter dated 18.01.2021 had submitted her resignation as Chief Financial Officer (CFO) of the Company and got relieved from the services on April 18, 2021. Mr. K. A. Narasimha Raju was appointed as CFO (KMP) w.e.f. May 1, 2021.

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, Dr. S. Surendranath Reddy, will retire by rotation at the ensuing Annual General Meeting and being eligible offered himself for reappointment.

The Company has received declarations / confirmations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Board is of opinion that all the Independent Directors who were appointed on May 26, 2021 possesses requisite expertise, integrity and experience including proficiency.

MEETINGS OF BOARD OF DIRECTORS

During the Year under review, six (6) meetings of the Board of Directors were held viz., on July 16, 2020, November 12, 2020, December 29, 2020, January 18, 2021, March 22, 2021 and March 25, 2021.

COMMITTEES OF THE BOARD

The Board of Directors of your Company have formed various Committees, as per the provisions of the Companies Act, 2013 and as a part of the best corporate governance practices, the terms of reference and the constitution of those Committees is in compliance with the applicable laws.

In order to ensure focused attention on business and for better governance and accountability, the Board has constituted and reconstituted the following Committees:

Audit Committee

The Audit Committee has been constituted by the Board on May 26, 2021, with the following members.

Name	Position on the Committee	Category
Mr. Satyanarayana Murthy Chavali	Chairman	Independent Director
Mr. S.P. Singh	Member	Independent Director
Dr. D. Nageshwar Reddy	Member	Independent Director
Mr. Nishant Sharma	Member	Nominee Director

Corporate Social Responsibility Committee (CSR)

The CSR Committee has been reconstituted by the Board on May 26, 2021 with the following members.

Name	Position on the Committee	Category
Mr. S .P. Singh	Chairman	Independent Director
Dr. D. Nageshwar Reddy	Member	Independent Director
Mr. K. Sunil Chandra	Member	Executive Director
Mrs. S. Geeta Reddy	Member	Non-Executive Director

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been reconstituted by the Board on May 26, 2021 with the following members.

Name	Position on the Committee	Category
Mr. Satyanarayana Murthy Chavali	Chairman	Independent Director
Mr. S.P. Singh	Member	Independent Director
Mr. Nishant Sharma	Member	Nominee Director

Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted by the Board on May 26, 2021 with the following members.

Name	Position on the Committee	Category
Dr. D. Nageshwar Reddy	Member & Chairman	Independent Director
Mr. Satyanarayana Murthy Chavali	Member	Independent Director
Mr. K. Sunil Chandra	Member	Executive Director

Risk Management Committee

The Risk Management Committee has been constituted by the Board on May 26, 2021 with the following members.

Name	Position on the Committee	Category
Mr. K. Sunil Chandra	Member & Chairman	Executive Director
Dr. D. Nageshwar Reddy	Member	Independent Director
Mrs. S. Suprita Reddy	Member	CEO

Management Committee

The Management Committee has been reconstituted by the Board on June 4, 2021 with the following members.

Name	Position on the Committee	Category
Dr.S. Surendranath Reddy	Member	Executive Director
Mr. K. Sunil Chandra	Member	Executive Director
Ms.S. Suprita Reddy	Member	CEO
Mr. K. A. Narasimha Raju	Member	CFO

IPO Committee

The IPO Committee has been constituted by the Board on May 27, 2021 with the following members.

Name	Position on the Committee	Category
Mr. K. Sunil Chandra	Member	Executive Director
Mr. C. Satyanarayana Murthy	Member	Independent Director
Mr. Nishant Sharma	Member	Nominee Director

STATUTORY AUDITOR

The members in the 16th Annual General Meeting held on September 27, 2018, appointed M/s. B S R & Associates LLP, (Firm Registration No.116231W/W-100024) as the Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of the 16th Annual General Meeting (AGM) until the conclusion of the 21st AGM of the Company on such remuneration as may be determined by the Board of Directors.

The members may note that the Ministry of Corporate Affairs vide notification dated May 07, 2018, has done away with the requirement of yearly ratification of appointment of Statutory Auditors, at the AGM.

Pursuant to Section 139 of the Companies Act, 2013 the statutory auditors M/s. B S R & Associates LLP, Chartered Accountants have confirmed they are eligible to continue as auditors.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report of F.Y. 2020-21 does not contain any qualification, reservation, adverse remark, or disclaimer.

No fraud has been reported by the Auditor under section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

COST RECORDS AND COST AUDIT

The Company is required to maintain the cost records in respect of its business under Section 148 of the Companies Act, 2013 read with Companies (Audit & Auditors') Rules, 2014 and the Companies (Cost Records and Audit) Amendments Rules, 2014, and accordingly such accounts and records are made and maintained.

The Board of Directors had appointed Mr. N. V.S. Kapardhi, Cost Accountant as Cost Auditor of the Company for Financial year 2020-21, to undertake cost audit of the Company.

Mr. N. V.S. Kapardhi, Cost Auditor has submitted his Cost Audit report for the financial year 2020-21 to Board of Directors and the Board of Directors considered and examined the said report.

The Cost Auditor's Report does not contain any qualification, reservation, adverse remark, or disclaimer.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Mr. D. Balarama Krishna, Practicing Company Secretary, Hyderabad as Secretarial auditor to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report is available at "Annexure -II" to this report.

The Secretarial Auditor's Report does not contain any qualification, reservation, adverse remark, or disclaimer.

INTERNAL AUDITOR

Pursuant to provisions of Section 138 of the Act, the Board of Directors have appointed Mr. B. Ravi Sankar as Internal auditor of the Company at its meeting held on 25.03.2021.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments made during the year under review are provided in the notes to financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. There were no materially significant related party transactions entered by the Company during the year with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, the requirement of furnishing the requisite details in Form AOC-2 is not applicable to the Company.

Details of the transactions with Related Parties are provided in the notes to financial statements.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business carried on by the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no Material Changes and Commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

DEPOSITS

Your Company has not accepted/invited deposits from the public falling within the purview of section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

RISK MANAGEMENT

The Company has risk management policy in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may threaten the existence of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as Annexure-III.

ANNUAL RETURN

Annual Return of the Company under Section 92(3) of the Act has been hosted at the web site of the Company www.vijayadiagnostic.com.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with requirements of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee. The Committee framed and recommended a CSR Policy to the Board for adoption and instituted a transparent monitoring mechanism for ensuring implementation of the projects / activities to be undertaken by the Company.

Your Company believes in giving back to society in some measure that is proportionate to its success in business. Corporate Social Responsibility (CSR) aims at balancing the needs of all stakeholders. The Company's CSR initiative goes beyond charity and believes that as a responsible company it should take into account its impact on society as much as creating business impact.

Report on CSR activities undertaken by the Company is annexed hereto as Annexure-IV and forms part of this annual report.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules

framed thereunder. The Company has constituted Internal Complaints Committee for redressal of complaints on sexual harassment. During the year, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2021.

REMUNERATION POLICY

The provisions of Section 178(1) of the Act aren't applicable to the Company for the year under review. As result, provisions relating to company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are not applicable to the Company for the year under review.

The Board at its meeting held on May 26, 2021 adopted the above stated policy in line with the applicable provisions of the Companies Act, 2013.

VIGIL MECHANISM

Provisions relating to formulation of Vigil Mechanism for its employees including directors of the Company to report genuine concerns are not applicable to the Company for the year under review.

The Board at its meeting held on May 26, 2021 adopted Vigil mechanism / Whistle Blower Policy for directors and employees.

PARTICULARS OF EMPLOYEES

The details of employees who had drawn remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2020-21 is annexed hereto as Annexure V.

EMPLOYEE STOCK OPTION PLAN

Your Company has instituted various employee stock options Schemes from time to time to motivate, incentivize and reward employees. The stock option plans are in compliance with the applicable laws. Disclosures on various plans, details of options granted, shares allotted upon exercise, etc. as required under the Companies Act, 2013 is enclosed as Annexure-VI.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Act, with respect to Directors' Responsibility Statement, the Directors, to the best of their knowledge and ability, hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit and loss of the Company for the year ended on that date;
- c) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the annual accounts have been prepared on a going concern basis;
- e) the Company had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT:

The Directors place on record their sincere appreciation and thanks for the valuable cooperation and support received from the employees of the Company at all levels, Government Authorities, Company's Bankers, Associates, partners, clients, vendors, customers and Members of the Company and look forward for the same in equal measure in the coming years.

**BY ORDER OF THE BOARD
For Vijaya Diagnostic Centre Limited**

Place: Hyderabad
Date: 24.07.2021

**Dr. Sura Surendranath Reddy
Executive Chairman
DIN: 00108599**

FORM NO. AOC-1

Statement containing salient features of the financial statements of subsidiaries as on March 31, 2021
(Amount in lakhs)

Particulars	Subsidiary Company/LLP			Step down Subsidiary Company/LLP	
	Medinova Diagnostic Services Limited	Doctorslab Medical Services Private Limited	VDC Diagnostics (Karnataka) LLP	Namrata Diagnostic Centre Private Limited	Medinova Millennium MRI Services LLP
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as holding company	Same as holding company	Same as holding company	Same as holding company	Same as holding company
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Share capital/ Contribution	995.68	1.00	1950	1.00	230.27
Other Equity	(1551.50)	114.14	(1554.59)	(124.69)	(298.11)
Total assets	463.31	236.13	402.05	1.26	110.82
Total Liabilities	463.31	236.13	402.05	1.26	110.82
Investments	126.82	1.00	-	-	-
Turnover	1161.02	63.73	27.30	0.00	142.90
Profit before taxation	229.25	63.33	20.98	(26.73)	(33.03)
Provision for taxation	12.68	17.51			(6.93)
Profit after taxation	216.57	45.82	20.98	(26.73)	(26.10)
Proposed Dividend	Nil	Nil	Nil	Nil	Nil
Extent of shareholding(%)	62.14%	100%	100%	100%	55.07%

Names of subsidiaries which are yet to commence operations: NIL

Names of subsidiaries which have been liquidated or sold during the year: NIL

BY ORDER OF THE BOARD
For Vijaya Diagnostic Centre Limited

Place: Hyderabad
Date: 24.07.2021

Dr. Sura Surendranath Reddy
Executive Chairman
DIN: 00108599

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Vijaya Diagnostic Centre Limited
CIN: U85195TG2002PLC039075
Hyderabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vijaya Diagnostic Centre Limited (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Vijaya Diagnostic Centre Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Vijaya Diagnostic Centre Limited for the financial year ended on 31st March 2021, according to the provisions of:

- 1.1. The Companies Act, 2013 (the Act) and the rules made there under;

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

- 1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- 1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- 1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **-[NOT APPLICABLE as the Company is not listed on any stock exchange]**

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

- 1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- 1.5.3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- 1.5.4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- 1.5.5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 1.5.6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- 1.5.7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;and
- 1.5.8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

2. I/we have also examined compliance with the applicable clauses of the following:

2.1. Secretarial Standards issued by The Institute of Company Secretaries of India.

3. The Company is engaged in the Business of Medical/clinical services. Accordingly, the following Industry Specific Acts are applicable to the Company, in view of the Management and as per the Guidance Note issued by the ICSI. Based on the explanation given, there are adequate system and process in the company to monitor and ensure the compliance of following sector specific law, rule, regulation and guidelines:

- 3.1. Pre-Conception and Pre-Natal Diagnostic Techniques Act, 1994 read with the relevant rules and amendments.
- 3.2. The Clinical Establishments (Registration and Regulations) Act, 2010.
- 3.3. The Clinical Establishments (Central Government) Rules, 2012 ("CECG Rules").
- 3.4. Telangana Allopathic Private Medical Care Establishments (Registration and Regulation) Act, 2002 and rules there under, as applicable.
- 3.5. Andhra Pradesh Allopathic Private Medical Care Establishments (Registration and Regulation) Act, 2002 and rules there under, as applicable.
- 3.6. Indian Atomic Energy Act 1962 & Atomic Energy (Radiation Protection) Rules 2004.
- 3.7. Atomic Energy (Safe Disposal of Radioactive Wastes) Rules, 1987 ("Radioactive Waste Rules").
- 3.8. Radiation Surveillance Procedures for Medical Application of Radiation, 1989 ("Surveillance Procedures").
- 3.9. Safety Code for Medical Diagnostic X-Ray Equipment and Installations, 2001 (the "X-Ray Safety Code").
- 3.10. Atomic Energy Regulatory Board- Safety Code on Safe Transport of Radioactive Material AERB/NRF- TS/SC- 1, 2015 ("Transport Code").
- 3.11. Atomic Energy Regulatory Board - Safety code on Nuclear Medicine Facilities dated November 4, 2010 ("Nuclear Medicine Code").
- 3.12. Radiation Surveillance Procedure for Medical Applications of Radiation, 1989 ("RSPM Notification").
- 3.13. The Environment Protection Act, 1986 (the "Environment Protection Act") and The Environment (Protection) Rules, 1986(the "Environment Protection Rules").
- 3.14. Bio-Medical Waste Management Rules, 2016 ("BMW Rules").
- 3.15. National Accreditation Board for Testing and Calibration Laboratories ("NABL").
- 3.16. Guidelines for Exchange of Human Biological Material for Biomedical Research Purposes, 1997 ("HBM Guidelines").
- 3.17. Consumer Protection Act, 2019 ("COPRA, 2019").

4. I further report that:

- 4.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 4.2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 4.3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- 4.4. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

5. I further report that during the audit period there were following specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards:

- On March 22, 2021, the company has sub-divided the face value of equity shares from Rs. 10/- each to Re. 1/- each thus revising the authorised share capital to ₹12,05,00,000 divided into 12,05,00,000 equity shares of ₹1 each.
- The Company has added new Scheme - 5 and Scheme – 6 under the Employees' Stock Option Plan 2018 (i.e., VDCPL ESOP 2018) on March 24, 2021.
- The company made amendments in the VDCPL Employees' Stock Option Plan 2018 and Schemes (1,2,3,4,5 & 6) there under on March 25, 2021.
- The company has changed its status from private limited to public limited, i.e., the company has been converted into a public limited company in pursuant to the fresh certificate of incorporation dated March 26, 2021 received from the Ministry of Corporate Affairs, Government of India, indicating the new name: "VIJAYA DIAGNOSTIC CENTRE LIMITED" from the old name of "VIJAYA DIAGNOSTIC CENTRE PRIVATE LIMITED".
- Pursuant to conversion as Public Limited Company, new set of Articles of Association of the Company have been adopted, to conform to the requirements of Public Company.

Place: Hyderabad
Date: 24.07.2021
UDIN: F008168C000682545

D. Balarama Krishna
Company Secretary in Practice
FCS No.: 8168; C P No.: 22414

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

ANNEXURE

To,
The Members,
Vijaya Diagnostic Centre Limited,
CIN: U85195TG2002PLC039075
Hyderabad.

SUBJECT: Our Report of even date is to be read along with this letter.

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

Place: Hyderabad
Date: 24.07.2021
UDIN: F008168C000682545

D. Balarama Krishna
Company Secretary in Practice
FCS No.: 8168; C P No.: 22414

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as below.

a) CONSERVATION OF ENERGY

The operations of the Company do not consume high levels of energy. In its endeavour towards conservation of energy the Company ensures optimal use of energy, and avoid wastages.

b) TECHNOLOGY ABOSORPTION

(i) the efforts made towards technology absorption:

- The company is continuously trying to evolve latest technologies and make use of the latest equipment's, diagnostics tools and fully automated systems, analyzers etc., in providing diagnostic services.
- The Company has latest and advanced equipment technology such as CT, MRI, nuclear medicine, PET and fusion imaging.
- Your Company use Laboratory Information Management System ("LIMS") to automate laboratory workflows, manage samples, test results and associated data for pathology tests etc.
- Installation 32 Slice CT Scan, DR System, 5CS MRI equipment and Epiq Elite Color Doppler System

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution : Cost reduction, Efficiency etc.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :

The Company has not imported any technology during the last three years.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans: Nil

Foreign exchange earnings and outgo

Sl. No.	Description	2020-21 Rs.	2019-20 Rs.
A	Earnings	Nil	Nil
B	Outgo	27,56,925	1,38,66,394

BY ORDER OF THE BOARD
For Vijaya Diagnostic Centre Limited

Place: Hyderabad
Date: 24.07.2021

Dr. Sura Surendranath Reddy
Executive Chairman
DIN: 00108599

Annual Report on CSR Activities for FY 2020-21

1) Brief outline on CSR Policy of the Company

The scope of the CSR Policy would include all/any activities specified in Schedule VII of the Companies Act, 2013.

2) Composition of CSR Committee as on March 31, 2021:

Name	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Dr. S. Surendranath Reddy	Chairman	1	1
Mr. Aditya Vij	Member	1	1
Mr. K. Sunil Chandra	Member	1	1

3) Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.vijayadiagnostic.com/csr-activity

4) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). :

Not Applicable for the year under review

5 Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6 Average net profit of the company as per section 135(5): Rs. 6919 lakhs

7 a) Two percent of average net profit of the company as per section 135(5): Rs. 138.38 lakhs

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): 138.38 lakhs (Cumulative unspent CSR amount for previous FY is Rs.59.32 lakh)

8 (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in lakhs)	Amount Unspent (Rs in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
197.71 lakhs (includes CSR amount of Rs.59.32 lakhs to be spent for previous FY)	NIL		NIL		

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project State District	Amount spent for the project (Amount in Rs.)	Mode of implementation -Direct (Yes/ No)	Mode of implementation - Through implementing agency
1.	Covid Relief / Prevention and activities (PPE Kits, Masks, Sanitizers, etc. to healthcare / frontline workers)	Healthcare including Preventive Healthcare	Yes	Telangana-Hyderabad	28,000	Yes	Not Applicable
2.	Provision of Computers, Printers etc., for development of students to Sri Kondapalli Thathi Reddy Women's college	Promoting Women Education	Yes	Andhra Pradesh-Gudivada	3,72,200	Yes	Not Applicable
3.	Payment to Sri Uttarandhra Matsyakarula Abhivrudhi Sankshema Seva Sangham for Visakhapatnam port Fishing Harbour.	Rural Development Projects	Yes	Andhra Pradesh-Gudivada	5,000	Yes	Not Applicable
4.	Covid Relief / Prevention and activities to healthcare / frontline workers	Healthcare including Preventive Healthcare & Safety	Yes	Telangana-Hyderabad	8,05,392	Yes	Not Applicable
5.	Donation to NGO Yuva Unstoppable	Promoting Education	Yes	Gujarat-Ahmedabad	1,00,000	Yes	Not Applicable
6.	Donation to Andhra Pradesh Fishermen Development Welfare Services Association Vizag Region	Rural Development Projects	Yes	Andhra Pradesh- Vizag	6,000	Yes	Not Applicable
7.	Construction of Compound Wall for Mandal Parishat Primary School Building, Anganawadi School Building and Sub-Primary Health Centre at	Promoting Education	Yes	Telangana-Medak	3,89,350	Yes	Not Applicable
8.	Donation to Andhra Mahila Sabha Durgabai Deshmukh Hospital & Research Centre	Healthcare	Yes	Telangana-Hyderabad	13,00,000	Yes	Not Applicable
9.	Skill Training	Employment enhancing skill development	Yes	Telangana-Hyderabad	1,67,64,622	Yes	Not Applicable

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 197.71 lakhs (includes CSR amount of Rs.59.32 lakhs to be spent for previous FY)

(g) Excess amount for set off, if any:

S. No	Particular	Amount (Rs. in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	138.38
(ii)	Total amount spent for the Financial Year	197.71 (includes CSR amount of Rs.59.32 lakhs to be spent for previous FY)
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

9 (a) Details of Unspent CSR amount for the preceding three financial years

S. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in lakhs)	Amount spent in the reporting Financial Year (Rs. in lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. in lakhs)
				Name of the Fund	Amount (Rs. in lakhs)	Date of transfer	
1	2019-2020	*Not Applicable	0	*Not Applicable			NIL
2	2018-2019		11.44				
3	2017-2018		0				

* Since, the provisions of Section 135(6) of the Act are effective w.e.f. 22nd January, 2021.

The Company has spent the entire amount of CSR obligation for financial year 2018-19 and 2019-20. The Company has provided an explanation w.r.t. the unspent cumulative amount in its Annual Report for the financial year 2019-20.

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : Not Applicable

Sd/-

Dr. S. Surendranath Reddy
Executive Chairman & Chairman of the CSR
Committee

Sd/-

S.Suprita Reddy
Chief Executive Officer

Annexure- V

Details of employee(s) of the Company drawing remuneration in excess of the limits as prescribed under the provisions of Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of the employee	: Ms. S. Suprita Reddy
Designation	: Chief Executive Officer
Remuneration received (from 01.04.2020 to 31.03.2021)	: Rs.1.375 crores/-
Nature of employment, whether contractual or otherwise	: Permanent
Qualification	: B.Com
Experience	: 19 years
Date of commencement of employment	: Associated with the Company since incorporation.
Age	: 39 years
Last employment held by such employee before joining the company	: NIL
Percentage of equity shares held by the employee in the company	: 0.06%*
Whether any such employee is a relative of any director or manager of the company	: Related to Dr.S.Surendranath Reddy, Mr.K.Sunil Chandra and Mrs.S.Geeta Reddy, Directors of the Company.

**0.06% as on March 31, 2021 and 9% as on date of this report.*

**BY ORDER OF THE BOARD
For Vijaya Diagnostic Centre Limited**

Place: Hyderabad
Date: 24.07.2021

**Dr. Sura Surendranath Reddy
Executive Chairman
DIN: 00108599**

EMPLOYEE STOCK OPTION PLAN

VDCL Employee Stock Option Plan 2018 "The Plan" or "ESOP 2018".

The shareholders of the Company approved "VDCL Employee Stock Option Plan 2018 (ESOP 2018)" at the Extraordinary General Meeting held on May 03, 2018 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 Re. 1 each of the Company.

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 vests on an annual basis at 25%, 25%, and 50% over a period of three years. The time and performance based options under Scheme 6 become eligible and vest on an annual basis at 18%, 25%, 33% and 24% over a period of four years. 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.

The Company accordingly, granted 933,808 options under four grants of 463,750 options, 9,000 options, 75,780 options and 385,278 options to eligible employees on May 10, 2018, October 31, 2018, April 01, 2019 and March 25, 2021 respectively, under ESOP 2018 - Scheme 1, Scheme 2, Scheme 3, Scheme 4, Scheme 5 and Scheme 6.

For additional information on the Company's Employee Stock Option Plan 2018, refer to Note 31 of the standalone and Note 29 of the consolidated financial statements in the Annual Report.

The details of the options under ESOP Plan 2018 and the ESOP Schemes 2018 as required under rule 12 of Companies (Share Capital And Debenture) Rules 2014, for the FY 2020-21 are as follows: -

Particulars	Year ended March 31, 2021
Options granted	385,278*
options vested	Nil
Options exercised	Nil
The total number of Equity Shares arising as a result of exercise of options	Nil
Options lapsed	Nil
Exercise price of options (in Rs.)	250.00*
Variation of terms of options	Nil#
Money realized by exercise of options	Nil

Total number of options in force	385,278 *
Employee-wise detail of options granted to:	
(i) key managerial personnel	Mr. Narasimha Raju-40,000*
(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Mr. SV Balaji -20,000*
iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

** The employee stock options and the exercise price mentioned above are pre-bonus issuance on May 27, 2021.*

#ESOP 2018 Plan and Schemes 1,2,3, 4,5 and 6 were amended on March 25, 2021 to comply with applicable provisions of Companies Act, 2013 and SEBI (Share Base employee Benefits) Regulations, 2014, as amended from time to time.

**BY ORDER OF THE BOARD
For Vijaya Diagnostic Centre Limited**

Place: Hyderabad
Date: 24.07.2021

**Dr. Sura Surendranath Reddy
Executive Chairman
DIN: 00108599**

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City

Orwell, B Wing, 6th Floor, Unit-3
Sy No.83/1, Plot No.2, Raidurg
Hyderabad - 500 081, India

Telephone: +91 40 7182 2000
Fax: +91 40 7182 2399

INDEPENDENT AUDITORS' REPORT

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited')

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Registered Office:

B S R & Associates (a partnership firm with Registration No. BA69226)
converted into B S R & Associates LLP (a Limited Liability Partnership) LLP
Registration No. AAB-8182) with effect from October 14, 2013

14th Floor, Central B Wing and North C
Wing, Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon
(East), Mumbai - 400063

Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the 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.



Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)

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

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

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

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



Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 1 April 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 22 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.



B S R & Associates LLP

Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

Report on Other Legal and Regulatory Requirements (continued)

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

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

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 116231 W/W- 100024



Sriram Mahalingam

Partner

Membership No.: 049642

ICAI UDIN: 21049642AAAABO8775

Place: Palakkad

Date: 27 May 2021

Annexure A to the Independent Auditors' Report on the standalone financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') for the year ended 31 March 2021

With reference to the Annexure A referred to in Paragraph 1 in Report on Other Legal and Regulatory Requirements of Independent Auditor's Report to the Members of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') ("the Company") on the standalone financial statements for the year ended 31 March 2021. We report that:

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The Company has a regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain portion of the property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties, as disclosed in Note 4(a) on property, plant and equipment to the standalone financial statements, are held in the name of the Company.
- ii. The inventories have been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been appropriately dealt with in the books of account.
- iii. The Company has granted unsecured loans to the companies and a Limited Liability Partnership covered in the Register maintained under section 189 of the Companies Act 2013 ("the Act"). In respect of the aforesaid loans:
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the companies and a Limited Liability Partnership listed in the Register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loans granted to the companies and a Limited Liability Partnership listed in the Register maintained under section 189 of the Act, the schedule of repayment of principal and payment of interest has been stipulated. However, the same is not due as on 31 March 2021.
 - (c) There are no overdue amounts in respect of loans granted to the companies and a Limited Liability Partnership listed in the Register maintained under section 189 of the Act.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to grant of loans, investments and guarantees given. Further, there is no security given in respect of which provisions of section 185 and 186 of the Act are applicable.
- v. The Company has not accepted any deposits from the public in accordance with the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.



Annexure A to the Independent Auditors' Report on the standalone financial statements of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited) for the year ended 31 March 2021 (continued)

- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government of India for maintenance of cost records under sub-section (1) of section 148 of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not made a detailed examination of records.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Goods and Services tax, Duty of customs, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income-tax, Goods and Services tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Income-tax, Goods and Services tax which have not been deposited with appropriate authorities on account of any dispute. According to information and explanations given to us, the following dues of Duty of customs have not been deposited by the Company on account of disputes:

Name of statute	Nature of dues	Amount in lakhs (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Customs duty, interest and penalty	17.71	FY 2006 - 07	CESTAT, West Zonal bench, Mumbai

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to its bankers or financial institutions. The Company does not have any loans or borrowings from Government, nor does it have any outstanding dues to debenture holders.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans taken by the Company and applied during the year were for the purpose for which they were raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



Annexure A to the Independent Auditors' Report on the standalone financial statements of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited) for the year ended 31 March 2021 (continued)

- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the provisions of section 197 of the Act read with Schedule V to the Act.
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a Nidhi Company prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transaction with the directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration Number: 116231W/W-100024



Sriram Mahalingam

Partner

Membership No.: 049642

UDIN: 21049642AAAABO8775

Place: Palakkad

Date: 27 May 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') for the year ended 31 March 2021.

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

(Referred to in clause (f) paragraph 2 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 standalone financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') ("the Company") as of 31 March 2021 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 standalone financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

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



Annexure B to the Independent Auditors' report on the standalone financial statements of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited) for the period ended 31 March 2021.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to financial statements include those policies and procedures that

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

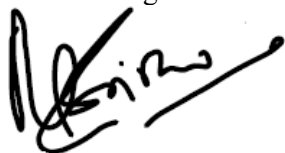
Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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 Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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 & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 116231 W/W- 100024



Sriram Mahalingam

Partner

Membership No.: 049642

ICAI UDIN: 21049642AAAABO8775

Place: Palakkad

Date: 27 May 2021

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I Non-current assets			
(a) Property, plant and equipment	4(a)	13,396.83	13,751.30
(b) Capital work-in-progress	4(a)	818.21	926.13
(c) Right of use assets	4(b)	12,600.07	12,537.71
(d) Other intangible assets	5	60.05	103.57
(e) Intangible assets under development	5	123.63	36.50
(f) Financial assets			
(i) Investments	6 (a)	487.35	487.35
(ii) Loans	6 (c)	601.15	538.51
(iii) Other financial assets	6 (f)	602.52	10.00
(g) Deferred tax assets (net)	7	580.41	131.57
(h) Non-current tax assets (net)	21 (d)	24.26	25.72
(i) Other non-current assets	9	610.95	640.31
Total non-current assets		29,905.43	29,188.67
II Current assets			
(a) Inventories	8	249.79	269.22
(b) Financial assets			
(i) Investments	6 (a)	2,762.73	5,340.24
(ii) Trade receivables	6 (b)	633.94	846.98
(iii) Cash and cash equivalents	6 (d)	631.32	5,548.53
(iv) Bank balances other than (iii) above	6 (e)	18,223.50	5,817.27
(v) Loans	6 (c)	134.40	252.41
(vi) Other financial assets	6 (f)	480.48	40.14
(c) Other current assets	9	264.01	211.34
Total current assets		23,380.17	18,326.13
TOTAL ASSETS (I + II)		53,285.60	47,514.80
EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	10 (a)	453.19	453.19
(b) Instruments entirely equity in nature	10 (b)	-	-
(c) Other Equity	10 (c)	35,601.72	27,296.54
Total equity attributable to equity holders of the Company		36,054.91	27,749.73
Liabilities			
II Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11 (a)	-	1,881.37
(ii) Lease liabilities	4(b)	12,647.22	11,960.97
(iii) Other financial liabilities	11 (c)	21.79	87.45
(b) Provisions	12	705.09	612.27
(c) Other non-current liabilities	13	5.30	11.76
Total non-current liabilities		13,379.40	14,553.82
III Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4(b)	1,010.24	877.65
(ii) Trade payables	11 (b)		
Total outstanding dues of micro and small enterprises		26.83	3.29
Total outstanding dues of creditors other than micro and small enterprises		2,000.43	1,893.59
(iii) Other financial liabilities	11 (c)	418.78	2,015.08
(b) Provisions	12	58.58	91.04
(c) Current tax liabilities (net)	21 (d)	146.84	138.92
(d) Other current liabilities	13	189.59	191.68
Total current liabilities		3,851.29	5,211.25
Total liabilities (II + III)		17,230.69	19,765.07
TOTAL EQUITY AND LIABILITIES (I + II + III)		53,285.60	47,514.80
Corporate Information			
Summary of significant accounting policies	1 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 & Associates LLP**
 Chartered Accountants
 ICAI Firm registration number: 116231W/ W-100024


 Srikanth Mahalingam
 Partner
 Membership Number: 049642


for and on behalf of the Board of Directors of
Vijaya Diagnostic Centre Limited
 (formerly known as Vijaya Diagnostic Centre Private Limited)
 CIN: U85195TG2002PLC039075


 Dr. S Surendranath Reddy
 Executive Chairman
 DIN Number: 00108599


 S. Supriya Reddy
 Chief Executive Officer


 K. Sunil Chandra
 Executive Director
 DIN Number: 01409332


 Narasimha Raju K.A.
 Chief Financial Officer


 V. Sri Lakshmi
 Company Secretary
 Membership No: F9950



Place: Palakkad
 Date: 27 May 2021

Place: Hyderabad
 Date: 27 May 2021

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
1 Income			
(a) Revenue from operations	14	36,731.59	32,865.12
(b) Other income	15	1,083.12	1,178.59
Total income		37,814.71	34,043.71
2 Expenses			
(a) Cost of materials consumed	16	5,551.05	4,251.48
(b) Employee benefits expense	17	5,570.53	5,956.02
(c) Finance costs	19	1,481.23	1,481.84
(d) Depreciation and amortisation expense	18	4,972.96	4,766.63
(e) Other expenses	20	9,280.32	9,412.69
Total expenses		26,856.09	25,868.66
3 Profit before tax (PBT)		10,958.62	8,175.05
4 Tax expense			
(a) Current tax	21	3,150.00	2,290.00
(b) Deferred tax		(450.00)	(209.63)
(c) Tax pertaining to earlier years		(23.53)	(29.12)
Total tax expense		2,676.47	2,051.25
5 Profit for the year [3 - 4]		8,282.15	6,123.80
6 Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
(a) Remeasurement of defined benefit obligations		4.66	(17.27)
(b) Income-tax relating to above item	21	(1.17)	4.35
Other comprehensive income for the year (net of income tax)		3.49	(12.92)
7 Total comprehensive income for the year [5 + 6]		8,285.64	6,110.88
8 Earnings per equity share (face value of Rs. 10 each, fully paid)	24		
- Basic (in Rs.)		8.12	6.01
- Diluted (in Rs.)		8.12	6.00

Corporate Information

Summary of significant accounting policies

1

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 & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 116231W/ W-100024



Sriram Mahalingam

Partner

Membership Number: 049642

for and on behalf of the Board of Directors of

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

CIN:U85195TG2002PLC039075



Dr. S Surendranath Reddy

Executive Chairman

DIN Number: 00108599



K. Sanku Chandra

Executive Director

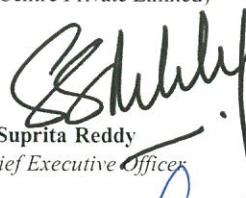
DIN Number: 01409332



V. Sri Lakshmi

Company Secretary

Membership No:F9950



S. Suprita Reddy

Chief Executive Officer



Narasimha Raju K.A

Chief Financial Officer

Place: Palakkad

Date: 27 May 2021

Place: Hyderabad

Date: 27 May 2021



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
 Standalone Statement of Changes in Equity for the year ended March 31, 2021
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

Particulars	Equity share capital	Compulsory Convertible Preference Shares (CCPS) (Series A)	Compulsory Convertible Preference Shares (CCPS) (Series B)	Reserves and surplus				Total
				General reserve	Employee stock options outstanding account	Securities premium account	Retained earnings	
Balance as at April 01, 2019	452.89	141.31	99.99	493.20	22.20	4,915.75	15,472.53	21,597.87
Total comprehensive income for the year ended March 31, 2020								
Profit for the year	-	-	-	-	-	-	6,123.80	6,123.80
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	-	(12.92)	(12.92)
Total comprehensive income	-	-	-	-	-	-	6,110.88	6,110.88
Share based payment (Refer note 31)	-	-	-	-	40.98	-	-	40.98
Conversion of CCPS into Equity share capital	0.30	(141.31)	(99.99)	-	-	241.00	-	-
Balance as at March 31, 2020	453.19	-	-	493.20	63.18	5,156.75	21,583.41	27,749.73
Total comprehensive income for the year ended March 31, 2021								
Profit for the year	-	-	-	-	-	-	8,282.15	8,282.15
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	-	3.49	3.49
Total comprehensive income for the year	-	-	-	-	-	-	8,285.64	8,285.64
Share based payment (Refer note 31)	-	-	-	-	19.55	-	-	19.55
Conversion of CCPS into Equity share capital	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	453.19	-	-	493.20	82.73	5,156.75	29,869.05	36,054.92

As per our report of even date attached

for BSR & Associates LLP

Chartered Accountants

ICAI Firm registration number: 116231W/W-100024



Sriram Mahalingam

Partner

Membership Number: 049642

Place: Palakkad

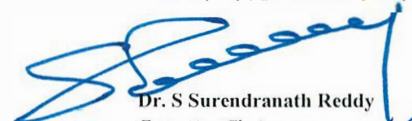
Date: 27 May 2021

for and on behalf of the Board of Directors of

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

CIN: U85195TG2002PLC039075



Dr. S Surendranath Reddy

Executive Chairman

DIN Number: 00108599



K. Sunil Chandra

Executive Director

DIN Number: 01409332



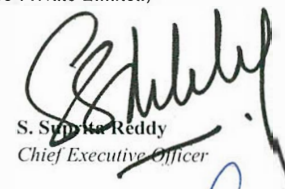
V. Sri Lakshmi

Company Secretary

Membership No: F9950

Place: Hyderabad

Date: 27 May 2021



S. Surendra Reddy

Chief Executive Officer



Narasimha Raju K.A

Chief Financial Officer



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Standalone Statement of Cash Flows for the year ended March 31, 2021

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

	Year ended March 31, 2021	Year ended 31 March 2020
A Cash flow from operating activities		
Profit for the period (before tax)	10,958.62	8,175.05
Adjustments for:		
Depreciation and amortisation expense	4,972.96	4,766.63
Net (gain)/loss on sale/ retirement of property, plant and equipment	(15.63)	13.26
Interest income	(917.89)	(424.96)
Profit on sale of mutual fund investments	(15.68)	(488.00)
Provision for credit impaired receivables	27.93	46.08
Employee stock option expense	19.55	40.98
Fair value movement on financial instruments	(32.87)	(166.23)
Finance cost	1,312.66	1,341.23
Liability no longer required written back	(95.94)	(60.36)
Operating profit before changes in assets and liabilities	16,213.71	13,243.68
Changes in working capital items:		
Decrease/(Increase) in trade receivables	185.11	141.24
(Increase)/ decrease in inventories	19.43	(68.24)
Decrease in other financial assets	(8.52)	37.32
Increase in other assets and deposits	(270.64)	(466.61)
Increase in trade payables	226.32	109.42
Increase in provisions and other liabilities	(29.38)	97.68
Increase in other financial liabilities	(435.11)	80.47
Cash generated from operations	15,900.92	13,174.96
Current taxes paid	(3,117.09)	(2,308.95)
Net cash inflow from operating activities	12,783.83	10,866.01
B Cash flows from investing activities		
Acquisition of property, plant and equipment and CWIP	(3,194.93)	(4,731.88)
Proceeds from sale of property, plant and equipment	90.44	98.46
Redemption of debt oriented liquid mutual funds, net	2,626.06	2,197.69
Deposits placed having original maturity of more than 3 months, net	(12,993.15)	(1,516.04)
(Investment)/redemption of margin money deposits	(0.36)	(0.39)
Loans given to subsidiaries (net)	147.44	(50.75)
Interest received	442.17	572.00
Net cash outflow from investing activities	(12,882.33)	(3,430.91)
C Cash flows from financing activities		
Repayment of long-term borrowings	(2,790.00)	(837.23)
Repayment of lease liabilities (including interest)	(1,896.53)	(1,675.14)
Interest paid	(132.18)	(295.78)
Net cash (outflow)/inflow from financing activities	(4,818.71)	(2,808.15)
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(4,917.21)	4,626.95
Cash and cash equivalents at the beginning of the financial year	5,548.53	921.58
Cash and cash equivalents at end of the period	631.32	5,548.53

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.



SK



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Standalone Statement of Cash Flows for the year ended March 31, 2021

(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:

	As At March 31, 2021	As At March 31, 2020
Cash on hand	79.76	26.93
Balances with banks		
- in current accounts	551.56	5,521.60
Total cash and cash equivalents (refer note 6(d))	631.32	5,548.53

Movement in financial liabilities:

Opening balance

Non-current borrowings (including current maturities)	2,790.00	3,627.23
Current borrowings	-	-
Lease liabilities	12,838.62	-
Interest accrued but not due on borrowings	10.85	13.89

Movement

Cash flows	(4,818.71)	(2,808.15)
Interest expense	1,262.63	1,285.19
Other non-cash movements		
- Additions / Disposals to lease liabilities (net)	1,574.07	13,521.31

Closing balance

Non-current borrowings (including current maturities)	-	2,790.00
Current borrowings	-	-
Lease liabilities	13,657.46	12,838.62
Interest accrued but not due on borrowings	-	10.85

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 & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 116231W/ W-100024


Srikanth Mahalingam

Partner

Membership Number: 049642

for and on behalf of the Board of Directors of

Vijaya Diagnostic Centre Limited

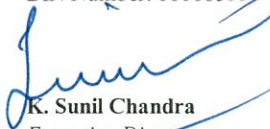
(formerly known as Vijaya Diagnostic Centre Private Limited)

CIN:U85195TG2002PLC039075


Dr. S Surendranath Reddy

Executive Chairman

DIN Number: 00108599


K. Sunil Chandra

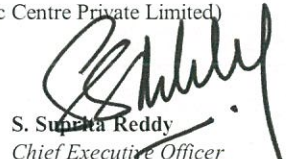
Executive Director

DIN Number: 01409332


V. Sri Lakshmi

Company Secretary

Membership No:F9950


S. Supriya Reddy

Chief Executive Officer

Place: Palakkad

Date: 27 May 2021

Place: Hyderabad

Date: 27 May 2021



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021

1 Corporate Information

Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private 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 in India on June 05, 2002 and has its registered office at # 3-6-16 & 17, Street No 19, Himayat Nagar, Hyderabad - 500 029, India and the Corporate office at # 6-3-883/F, Ground Floor of Family Planning Association of India, Panjagutta, Hyderabad - 500 082, India.

The Company was converted into a public limited company under the Companies Act, 2013 on March 22, 2021 and consequently, the name was changed to "Vijaya Diagnostic Centre Limited".

2 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

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.

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 27 May, 2021.

(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
- 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
- Equity settled share based payments at grant date : Measured at fair value

(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 3(K) and 28 - lease classification.
- Note 3(K) and 28- leases: whether an arrangement contains a lease and lease classification

Assumptions and estimation uncertainties

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

- Note 30 - 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

(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).

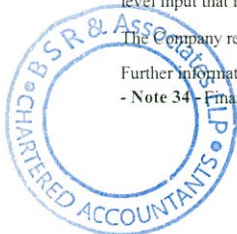
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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 34 - Financial instruments



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021

(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 atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and 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.

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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021

3 Summary of significant 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.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that economic benefits will flow to the entity and when the underlying tests are conducted, samples are processed for requisitioned diagnostic tests. Each diagnostic 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.

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 transfers services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs its obligation under the contract.

ii) Income from 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

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

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 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 Recognition and measurement

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 except Trade receivables 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 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.



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021

D. Financial instruments (continued)

ii) Classification and subsequent measurement (continued)

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.

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

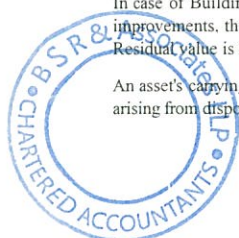
Depreciation is provided using the Written down value Method ("WDV") over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

The Company, 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 Company has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	Management estimate of useful life & Useful life as per Schedule II
Buildings	60 years
Plant and equipment:	
- Medical and diagnostic equipments	13 years
- Other equipments	15 years
Electrical equipments	10 years
Furniture and fixtures	10 years
Office equipments	5 years
Computers	
- Servers and networks	6 years
- End user devices such as laptops, etc.	3 years
Vehicles	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 leased 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.

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.



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021

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) Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the "written down value" (WDV) method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives are as follows:

- Software - 5 years

Amortisation method and useful lives 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 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 Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. 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.

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.



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021

I. Impairment of assets (continued)

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 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 upto 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 other funds. 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.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Under Ind AS 116, the Company assesses whether a contract is or contains a lease based on the definition of lease. On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after April 01, 2019.

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 Company used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17.

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.



K. Leases (continued)

Right of use asset: The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability: The Company measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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. Share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model. The grant date fair value of options granted to employees is recognised as employee expense with a corresponding increase in employee stock options reserve, over the period in which the eligibility conditions are fulfilled and the employees unconditionally become entitled to awards. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

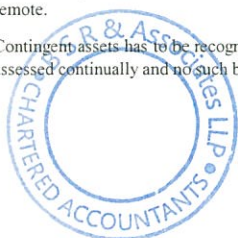
N. Provision, contingent liabilities and contingent assets

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. 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.



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021

O. 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.

P. 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 Company are segregated.

Q. 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.

R. 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.

S. 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.

T. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Standalone financial statements is required to be disclosed.

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4 (a) Property, plant and equipment

Particulars	Freehold land	Building	Building on leasehold land	Leasehold improvements	Plant and equipment - Medical	Plant and equipment - Others	Electrical equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
A. Gross value (at cost)												
As at April 01, 2019	205.42	617.85	1,255.40	2,122.55	12,362.26	1,163.59	747.21	963.88	152.51	337.80	324.56	20,253.03
Additions	-	-	-	369.93	2,176.70	209.05	193.09	366.69	53.72	120.28	55.02	3,544.48
Disposals	-	-	-	(18.16)	(188.00)	(1.77)	(0.75)	(8.54)	-	(0.28)	(26.12)	(243.62)
As at March 31, 2020	205.42	617.85	1,255.40	2,474.32	14,350.96	1,370.87	939.55	1,322.03	206.23	457.80	353.46	23,553.89
Additions	-	-	-	164.59	2,281.51	164.92	130.43	140.06	25.87	91.46	5.99	3,004.83
Disposals	-	-	-	(200.66)	(1.21)	(1.21)	(3.66)	-	-	-	(4.71)	(210.24)
As at March 31, 2021	205.42	617.85	1,255.40	2,638.91	16,431.81	1,534.58	1,066.32	1,462.09	232.10	549.26	354.74	26,348.48
B. Accumulated depreciation												
As at April 01, 2019	-	59.45	326.22	607.23	4,225.41	370.99	322.41	339.73	99.97	193.30	125.08	6,669.79
For the year ended	-	27.27	96.48	459.38	1,958.71	166.44	135.58	211.33	33.96	108.70	66.85	3,264.70
Disposals	-	-	-	(5.76)	(99.27)	(1.07)	(0.57)	(3.49)	-	(0.16)	(21.58)	(131.90)
As at March 31, 2020	-	86.72	422.70	1,060.85	6,084.85	536.36	457.42	547.57	133.93	301.84	170.35	9,802.59
For the year ended	-	25.87	86.05	400.90	2,033.19	167.56	143.99	220.97	42.29	105.09	58.58	3,284.49
Disposals	-	-	-	-	(127.89)	(0.60)	(2.67)	-	-	-	(4.29)	(135.43)
As at March 31, 2021	-	112.59	508.75	1,461.75	7,990.15	703.32	598.74	768.54	176.22	406.93	224.64	12,951.65
C. Net carrying value (A-B)												
As at March 31, 2021	205.42	505.26	746.65	1,177.16	8,441.66	831.26	467.58	693.55	55.88	142.33	130.10	13,396.83
As at March 31, 2020	205.42	531.13	832.70	1,413.47	8,266.11	834.51	482.13	774.46	72.30	155.96	183.11	13,751.30

Notes:

1. Refer to note 22 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
2. Refer to note 11(a) for details of property, plant and equipment subject to charge on secured borrowings.

Capital work-in progress

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	926.13	270.86
Additions during the year	2,896.92	4,199.75
Less: Capitalizations	(3,004.83)	(3,544.48)
Balance at the end of the year	818.21	926.13



4 (b) Right of use assets and Lease Liabilities

Transition to Ind AS 116 "Leases" w.e.f April 01, 2019:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 "Leases" which replaces the existing lease standard, Ind AS 17 "Leases", and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, under modified retrospective transition method, and has not restated comparative information.

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 adoption of this newly issued accounting standard Ind AS 116 "Lease" resulted in recognition of "Right of Use" asset of Rs. 12,537.71 lakhs and a lease liability of Rs. 12,838.62 lakhs as at March 31, 2020. Consequently, the profit before tax for the year ended March 31, 2020 is lower by Rs. 713.43 lakhs.

Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

(i) Movement in Right of use assets and Lease liabilities is given below:

Description	Right of use assets (Buildings)
Cost as at April 01, 2019	-
Due to transition to Ind AS 116 on April 01, 2019	11,011.08
Additions	2,562.14
Disposals during the current year	(51.91)
Prepaid rent reclassified to right of use assets	455.86
Cost as at March 31, 2020 (A)	13,977.17
Additions	1,705.75
Disposals	(74.89)
Cost as at March 31, 2021 (C)	15,608.03
Accumulated depreciation as at April 1, 2019	-
Depreciation for the year	1,439.46
Disposals	-
Accumulated depreciation as at March 31, 2020 (B)	1,439.46
Depreciation for the year	1,642.10
Disposals	(73.60)
Accumulated depreciation as at March 31, 2021 (D)	3,007.96
Net carrying amount as at March 31, 2020 (A)- (B)	12,537.71
Net carrying amount as at March 31, 2021 (C)- (D)	12,600.07

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at March 31, 2021	As at March 31, 2020
Opening balance	12,838.62	-
Recognised on adoption of Ind AS 116	-	11,011.08
Additions during the year	1,575.45	2,562.14
Disposal during the year	(1.38)	(51.91)
Accretion of interest	1,141.30	992.45
Payment of lease liabilities	(1,896.53)	(1,675.14)
Closing balance	13,657.46	12,838.62
Less: Current Lease liabilities	1,010.24	877.65
Non Current Lease liabilities	12,647.22	11,960.97

(ii) Payments recognised as expenses and income

	For the year ended March 31, 2021	March 31, 2020
Short term leases and low value assets	50.45	72.20
	50.45	72.20

(iii) Contractual maturities of lease liabilities on undiscounted basis

	As at March 31, 2021	As at March 31, 2020
Less than one year	2,143.19	1,944.58
One to five years	8,808.25	8,137.51
More than five years	10,091.94	9,795.54
	21,043.38	19,877.63



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

5 Other intangible assets

Particulars	Software
A. Gross value (at cost)	
As at April 01, 2019	173.67
Additions	91.71
Disposals	-
As at March 31, 2020	265.38
Additions	2.85
Disposals	-
As at March 31, 2021	268.23
B. Accumulated amortization	
As at April 01, 2019	99.34
For the year ended	62.47
Disposals	-
As at March 31, 2020	161.81
For the year ended	46.37
Disposals	-
As at March 31, 2021	208.18
C. Net carrying value	
As at March 31, 2021	60.05
As at March 31, 2020	103.57

Intangible assets under development

Particulars	Amount
As at April 01, 2019	-
Additions	36.50
Disposals	-
As at March 31, 2020	36.50
Additions	87.13
Disposals	-
As at March 31, 2021	123.63

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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	As at March 31, 2021	As at March 31, 2020
6 Financial assets		
(a) Investments		
Non-Current		
A. Trade - Subsidiaries		
Investment in equity instruments - carried at cost or deemed cost, less provision for other than temporary impairment		
Quoted		
Medinova Diagnostic Services Limited	411.06	411.06
[6,202,220 (March 31, 2020: 6,202,220) equity shares of Rs. 10 each fully paid up]		
Unquoted		
Doctors Lab Medical Services Private Limited	1.00	1.00
[10,000 (March 31, 2020: 10,000) equity shares of Rs. 10 each fully paid up]		
Investment in Limited Liability Partnership (LLP)		
Unquoted		
VDC Diagnostics (Karnataka) LLP	1,831.29	1,831.29
[100% (March 31, 2020: 100%) share in capital contribution]		
Less: Share of loss attributable to the Company	(1,760.00)	(1,760.00)
Net investment in LLP	71.29	71.29
Sub-total	483.35	483.35
B. Investment in others - Non-trade		
Investment in equity instruments - carried at FVOCI		
Unquoted		
C.R Broadcasting Hyderabad Limited	4.00	4.00
[40,000 (March 31, 2020: 40,000) equity shares of Rs. 10 each fully paid up]		
Sub-total	4.00	4.00
Total (A+B)	487.35	487.35
Aggregate amount of quoted investments	411.06	411.06
Aggregate amount of unquoted investments	76.29	76.29
Aggregate amount of impairment in value of investments	-	-
Market value of quoted investments	1,420.31	881.96
Current		
Investments at fair value through profit or loss - Quoted		
Mutual Funds		
Aditya Birla Sunlife Floating Rate Fund - 224,182.96 (March 31, 2020: Nil) units of Rs. 100 each	606.83	-
Aditya Birla Sunlife Low Duration Fund - 73,574.67 (March 31, 2020: Nil) units of Rs. 100 each	406.18	-
Birla Sunlife Savings Growth - 465,980.33 (March 31, 2020: 465,980.33) units of Rs. 100 each	-	1,867.78
HDFC Floating Rate Debt Growth - 3,509,067.43 (March 31, 2020: 3,509,067.43) units of Rs. 10 each	-	1,241.60
HDFC Low Duration Fund - 805,643.61 (March 31, 2020: Nil) units of Rs. 10 each	383.28	-
IDFC Cash Fund Growth - Nil (March 31, 2020: 17,241.08) units of Rs. 1,000 each	-	414.10
IDFC Low Duration Fund - 3,305,908.39 (March 31, 2020: Nil) units of Rs. 10 each	1,013.52	-
Invesco India Short Term Fund Growth -19,335.13 (March 31, 2020: Nil) units of Rs. 1,000 each	-	543.35
Invesco India Treasury Advantage Growth - 3,636.37 (March 31, 2020: Nil) units of Rs. 1,000 each	-	104.08
Invesco India Treasury Advantage Growth - 7,257.83 (March 31, 2020: Nil) units of Rs. 1,000 each	-	207.73
Kotak Low Duration Fund - 12,724.06 (March 31, 2020: Nil) units of Rs. 1,000 each	352.92	-
Reliance Prime Debt Growth - 2,215,404.46 (March 31, 2020: 2,215,404.46) units of Rs. 10 each	-	961.60
	2,762.73	5,340.24
Aggregate book value of quoted investments	2,762.73	5,340.24
Aggregate market value of quoted investments	2,762.73	5,340.24
(b) Trade receivables		
(Unsecured)		
Current		
Considered good (Refer Note 32)	633.94	846.98
Credit impaired	151.55	165.36
Less: Allowance for doubtful receivables (expected credit loss allowance)	(151.55)	(165.36)
	633.94	846.98



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	As at March 31, 2021	As at March 31, 2020
6 Financial assets (continued)		
(c) Non-current loans		
<i>(Unsecured, considered good)</i>		
Security deposits *	601.15	538.51
	601.15	538.51
Current loans		
Security deposits	29.43	-
Loans to subsidiaries	104.97	252.41
	134.40	252.41
* Includes amount receivable from related parties (refer note 32)		
(d) Cash and cash equivalents		
Cash on hand	79.76	26.93
Balances with banks		
- in current accounts	551.56	5,521.60
	631.32	5,548.53
(e) Other bank balances		
Current		
Deposits due to mature after three months but before twelve months from the reporting date * @	18,223.50	5,817.27
	18,223.50	5,817.27
@ Fixed deposit of Rs 228.67 lakhs (March 31, 2020: Rs 221.04 lakhs) under lien.		
* The deposits made with banks comprise of time deposits, which are available at call.		
(f) Other financial assets		
<i>(Unsecured, considered good)</i>		
Non-current		
Balances with bank held as margin money	10.36	10.00
Fixed deposit with banks, with remaining maturity of more than 12 Months	586.92	-
Interest accrued on bank deposits and others	5.24	-
	602.52	10.00
Current		
Interest accrued on bank deposits and others	471.92	40.10
Other receivables	8.56	0.04
	480.48	40.14

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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	As at March 31, 2021	As at March 31, 2020				
7 Deferred tax asset/(liabilities) net						
Deferred tax assets						
On account of decommissioning liability on property, plant and equipment	109.30	87.69				
On account of leases	392.42	179.56				
On account of employee retirement benefits	82.90	81.13				
On account of credit impaired debts	38.14	41.62				
On account of others	43.87	46.39				
Sub total (A)	666.63	436.39				
Deferred tax liabilities						
On account of fair value gains from mutual funds	8.27	233.03				
On account of property, plant and equipment	77.95	71.79				
Sub total (B)	86.22	304.82				
Deferred tax asset/(liability), net (A+B)	580.41	131.57				
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 of mutual funds	Others	Total
At April 01, 2019	(55.12)	56.36	-	(221.22)	137.57	(82.41)
(Charged)/ credited:						
- to profit or loss	71.02	20.42	179.56	(11.81)	(49.56)	209.63
- to OCI	-	4.35	-	-	-	4.35
As at March 31, 2020	15.90	81.13	179.56	(233.03)	88.01	131.57
(Charged)/credited:						
- to profit or loss	15.45	2.94	212.86	224.76	(6.00)	450.01
- to OCI	-	(1.17)	-	-	-	(1.17)
As at March 31, 2021	31.35	82.90	392.42	(8.27)	82.01	580.41
8 Inventories						
(Valued at lower of cost and net realisable value)						
Reagents, chemicals, digital imaging films and consumables					249.79	269.22
					249.79	269.22
9 Other assets						
(Unsecured, considered good)						
Non-current						
Capital advances					347.60	411.12
Prepaid expenses (Refer Note 4(b))					263.35	229.19
					610.95	640.31
Current						
Advances other than Capital advances						
-Advance to suppliers					49.82	83.65
-Advance to employees					7.63	13.07
Prepaid expenses					206.56	114.62
					264.01	211.34



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Particulars	As at March 31, 2021	As at March 31, 2020
10 Equity		
Authorised share capital		
12,05,00,000 equity shares of Re. 1 each (March 31, 2020: 12,050,000 equity shares of Rs. 10 each)	1,205.00	1,205.00
(a) Equity share capital		
Issued, subscribed and fully paid up capital		
45,318,190 equity shares of Re. 1 each (March 31, 2020: 4,531,819 equity shares of Rs. 10 each), fully paid-up	453.19	453.19
	<u>453.19</u>	<u>453.19</u>

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

	March 31, 2021		March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	45,31,819	453.19	45,28,813	452.89
Shares issued during the year	-	-	3,006	0.30
Increase in shares on account of subdivision (refer note vi)	4,07,86,371	-	-	-
Shares outstanding at the end of the year	4,53,18,190	453.19	45,31,819	453.19

ii) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 1 per share (March 31, 2020: Rs. 10 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

	March 31, 2021		March 31, 2020	
	Number of shares	% holding	Number of shares	% holding
Equity Shares:				
Dr S. Surendranath Reddy	2,68,16,030	59.17%	26,81,603	59.17%
M/s. Karakoram Limited	1,74,73,950	38.56%	17,47,395	38.56%

As per records the Company including registration of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares.

(iv) During the five years immediately preceding the reporting date, no shares have been bought back, issued for consideration other than cash except for conversion of Preference shares into Equity shares (Refer note 10(b)) and no bonus shares have been issued.

v) For details of shares reserved for issue under Employee Stock Option Plan (ESOP) of the Company, refer Note 31.

vi) Subdivision of equity shares

(i) On March 22, 2021 the equity shares of the Company having the face value of Rs. 10 (Rupees ten only) each were subdivided into 10 (ten) equity shares having a face value of Re. 1 (Rupee one only) each. Accordingly, 4,531,819 equity shares of face value of Rs. 10 each were sub divided into 45,318,190 equity shares of face value of Re. 1 each.

(ii) The earnings per share in respect of current and previous years has been restated considering the aforesaid sub division of shares.

vii) Also, refer Note 37 for issue of bonus shares made subsequent to 31 March 2021

(b) Instruments entirely equity in nature

	As at March 31, 2021	As at March 31, 2020
Preference shares		
Series A Compulsory Convertible Preference Shares (CCPS)	-	-
Series B Compulsory Convertible Preference Shares (CCPS)	-	-
Total preference shares	<u>-</u>	<u>-</u>

i) Reconciliation of preference shares outstanding at the beginning and at the end of the reporting year:

	March 31, 2021		March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Series A CCPS				
Shares outstanding at the beginning of the year	-	-	14,13,071	141.31
Shares issued/(converted) during the year	-	-	(14,13,071)	(141.31)
Shares outstanding at the end of the year	-	-	-	-
Series B CCPS				
Shares outstanding at the beginning of the year	-	-	3,005.00	99.99
Shares issued/(converted) during the year	-	-	(3,005.00)	(99.99)
Shares outstanding at the end of the year	-	-	-	-



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10 Equity (continued)

(b) Instruments entirely equity in nature (continued)

ii) Terms and rights attached to Compulsorily convertible preference shares:

Series A Compulsorily Convertible Preference Shares (CCPS)

Series A Preference Shares are cumulative, mandatorily and fully convertible preference shares of Rs. 10 each with 0.001% coupon. Series A preference shares shall be participating preference shares and shall be entitled to participate in any dividend distribution to holders of equity shares on a fully diluted basis. These shares are convertible into equity shares on or before a specified date agreed between the shareholders and till the time these shares are converted, all of Series A preference shares collectively entitled for one vote. These Series A preference shares were converted into one equity share in the previous year.

Series B Compulsorily Convertible Preference Shares (CCPS)

Series B Preference Shares are cumulative, mandatorily and fully convertible preference shares of Rs. 3,327.61 each with 0.001% coupon. Series B preference shares shall be participating preference shares and shall be entitled to participate in any dividend distribution to holders of equity shares on a fully diluted basis. These shares are convertible into equity shares on the occurrence of the earlier of (i) prior to filing a red herring prospectus in connection with initial public offering (ii) at the option of the preference share holder (iii) expiry of 10 years from the date of issuance. Till the time the aforesaid CCPS are not converted, all of Series B preference Shares shall be entitled to voting rights on a pro-rata basis with the Equity Shares of the Company on a fully diluted basis. These Series B preference shares were converted in the ratio 1: 1 into equity shares in the previous year.

The issue proceeds of Series A CCPS and Series B CCPS have been entirely classified under equity as they are settled with fixed number of entity's own equity instruments and meets the definition of "Equity Instruments" as defined in "Ind AS 32, Financial Instruments: Presentation".

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

	March 31, 2021		March 31, 2020	
	Number of shares	% holding	Number of shares	% holding
CCPS Series A				
Dr S.Surendranath Reddy	-	0.00%	-	0.00%
CCPS Series B				
M/s. Karakoram Limited	-	0.00%	-	0.00%

iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

	31 March 2021	31 March 2020	31 March 2019	31 March 2018	31 March 2017
Allotted as fully paid up Series A CCPS by way of bonus	Nil	Nil	Nil	Nil	14,13,071
Allotted as fully paid up Series B CCPS by way of bonus	Nil	Nil	Nil	Nil	Nil

(c) Other equity

Reserves and surplus	As at March 31, 2021	As at March 31, 2020
(i) General reserve	493.20	493.20
(ii) Employee stock options outstanding	82.73	63.18
(iii) Securities premium account	5,156.75	5,156.75
(iv) Retained earnings	29,869.04	21,583.41
	35,601.72	27,296.54

i) General reserve

	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	493.20	493.20
Add: Movement during the year	-	-
Balance as at the end of the year	493.20	493.20

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) Employee stock options outstanding

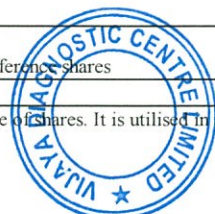
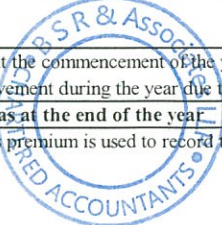
	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	63.18	22.20
Add: Share options expense for the period	19.55	40.98
Balance as at the end of the year	82.73	63.18

The company has established equity settled share based payment plans for employees of the company, refer note 31 for details on these plans.

iii) Securities premium

	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	5,156.75	4,915.75
Add: Movement during the year due to conversion of preference shares	-	241.00
Balance as at the end of the year	5,156.75	5,156.75

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



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

iv) Retained earnings

	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	21,583.40	15,472.53
Add: Profit for the year	8,282.15	6,123.80
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurement of defined benefit obligations (net of tax)	3.49	(12.92)
Amount available for appropriations	29,869.04	21,583.41
Less: Appropriations	-	-
Balance as at the end of the year	29,869.04	21,583.41

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 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.

Total Other equity (i+ii+iii+iv)	35,601.72	27,296.54
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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	As at March 31, 2021	As at March 31, 2020
11 Financial liabilities		
(a) Non-Current borrowings		
Secured loans		
Term loans		
- from banks	-	2,159.81
- from others	-	630.19
Sub-total	-	2,790.00
Less: Current maturities of long term borrowings	-	908.63
	-	1,881.37
Note:		
i. Terms of secured loans from banks:		
Term loans from banks are repayable in 36 - 84 equated monthly instalments and carry an interest rate of 8.50% - 10.50% per annum. These loans are secured by exclusive charge on plant and machinery-medical purchased out of the respective loans. Further, the loans from banks to the extent of Rs. Nil (March 31, 2020: 538.27 lakhs) is secured by personal guarantee of directors. These loans have been repaid during the year ended March 31, 2021.		
ii. Terms of secured loans from others:		
Term loans from others are repayable in 36 - 72 equated monthly instalments and carries an interest rate of 7.4% - 9.4% per annum. These loans are secured by exclusive charge on plant and machinery-medical purchased out of the respective loans. These loans have been repaid during the year ended March 31, 2021.		
(b) Trade payables		
Total outstanding dues of micro and small enterprises (refer note 25)	26.83	3.29
Total outstanding dues of creditors other than micro and small enterprises *	2,000.43	1,893.59
	2,027.26	1,896.88
* Includes amount payable to related parties (refer note 32)		
(c) Other financial liabilities		
Non-current		
Deferred credit - medical equipment	21.79	87.45
	21.79	87.45
Current		
Current maturities of long term borrowings	-	908.63
Interest accrued but not due on borrowings	-	10.85
Employee payables	267.66	702.77
Deferred credit - medical equipment	83.05	143.98
Capital creditors	68.07	248.85
	418.78	2,015.08



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	As at March 31, 2021	As at March 31, 2020
12 Provisions		
Non-current		
Provision for employee benefits:		
- Gratuity (Refer note 30)	165.60	159.73
- Compensated absences	105.21	104.11
Others:		
- Decommissioning liability ^	434.28	348.43
	705.09	612.27
Current		
Provision for employee benefits:		
- Gratuity (Refer note 30)	42.69	35.81
- Compensated absences	15.89	22.71
Others:		
- Disputed customs duty matters *	-	32.52
	58.58	91.04

Note:

i. Movement in Provision for others:

	Decommissioning liability ^	Customs duty*
Carrying amount as at April 01, 2019	301.25	32.52
Add: Unwinding of interest	30.97	-
Add: Provision created during the year	16.21	-
Less: Provision reversed during the year	-	-
Balance as at March 31, 2020	348.43	32.52
Carrying amount as at April 01, 2020	348.43	32.52
Add: Unwinding of interest	34.84	-
Add: Provision created during the year	51.01	-
Less: Provision reversed during the year	-	32.52
Balance as at March 31, 2021	434.28	-

^ Decommissioning liability pertains to the cost of dismantling the assets from the leased premises. The liability is determined by the management based on the present value of the estimated future cash outflows of dismantling the assets.

* Provision of Rs 32.52 lakhs has been made in earlier years towards disputed customs duty matters. The Company during the current year has written back the provision made, as the Company is not intending to redeem the goods held with Customs authority.

13 Other liabilities

Non-Current

Deferred revenue	5.30	11.76
	5.30	11.76

Current

Deferred revenue	15.69	15.69
Statutory liabilities	173.90	175.99
	189.59	191.68



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
14 Revenue from operations		
Sale of services	36,705.80	32,854.22
Other operating revenue		
- Sale of scrap	25.79	10.90
	36,731.59	32,865.12
15 Other income		
Interest income on bank deposits and others	879.23	391.46
Interest income on financial assets carried at amortised cost	38.66	33.50
Profit on sale of mutual fund investments	15.68	488.00
Fair value gain on financial assets (mutual funds) measured at FVTPL	32.87	166.23
Net gain on sale/retirement of property, plant and equipment	15.63	-
Liability no longer required written back	95.94	60.36
Insurance claim received	-	28.42
Other non-operating income	5.11	10.62
	1,083.12	1,178.59
16 Cost of materials consumed		
Inventory of materials as at the beginning of the year	269.22	200.98
Add: Purchases during the year	5,531.62	4,319.72
Less: Inventory of materials as at the end of the year	(249.79)	(269.22)
	5,551.05	4,251.48
17 Employee benefits expense		
Salaries, wages and bonus	4,982.62	5,458.77
Contribution to provident and other funds (refer note 30)	290.51	254.96
Gratuity (refer note 30)	98.66	82.38
Compensated absences	22.37	55.86
Share based payments - equity settled (refer note 31)	19.55	40.98
Staff welfare expenses	156.82	63.07
	5,570.53	5,956.02
18 Depreciation and amortisation expense		
Depreciation on property, plant and equipment (refer note 4(a))	3,284.49	3,264.70
Amortisation on other intangible assets (refer note 5)	46.37	62.47
Depreciation on Right of use assets (refer note 4(b))	1,642.10	1,439.46
	4,972.96	4,766.63
19 Finance costs		
Interest on borrowings measured at amortised cost	121.32	292.74
Interest expense on deferred credit purchases and decommissioning liability	50.05	56.05
Interest expense on lease liabilities (refer note 4(b))	1,141.30	992.45
Bank charges and other borrowing costs	168.56	140.60
	1,481.23	1,481.84

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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
20 Other expenses		
Power and fuel	984.96	1,010.23
Rent	50.45	72.20
Testing charges	458.48	77.09
Samples collection charges	320.28	198.61
Repairs and Maintenance		
a. Building	150.27	202.92
b. Plant and machinery	656.21	703.24
c. Others	161.27	168.37
House keeping expenses	467.23	495.71
Security charges	372.70	336.39
Insurance	50.79	26.95
Rates and taxes	61.97	43.76
Advertisement, publicity and marketing	134.45	320.16
Business promotion expenses	176.41	207.93
Travelling and Conveyance	120.81	185.76
Legal and professional charges	4,480.86	4,784.09
Payment to auditors (refer note (i) below)	41.74	30.90
Postage and communication	129.61	124.43
Printing and stationery	71.28	77.32
Provision for doubtful receivables	27.93	46.08
Bad debts written off	33.16	4.42
Advances written off	-	8.62
Net loss on sale/retirement of property, plant and equipment	-	13.26
Corporate social responsibility expenditure (refer note (ii) below)	197.71	144.69
Donations	0.75	1.50
Miscellaneous expenses	131.00	128.06
	9,280.32	9,412.69

Notes:

i. Payment to auditors (inclusive of taxes)

As auditors

- Statutory audit fees

For reimbursement of expenses

37.76	29.50
3.98	1.40
41.74	30.90

ii. Details of corporate social responsibility expenditure

(i) Gross amount required to be spent by the Company during the year

(ii) Amount approved by the Board to be spent during the year

(iii) Amount spent during the year (in cash)

- construction/ acquisition of any asset

- on purpose other than above

138.38	122.02
138.38	122.02
-	-
197.71	144.69



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
21 Income-tax expense		
(a) Amount recognised in statement of profit and loss		
Current tax	3,150.00	2,290.00
Deferred tax attributable to temporary differences	(450.00)	(209.63)
Tax pertaining to earlier years	(23.53)	(29.12)
Tax expense	2,676.47	2,051.25
(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	1.17	(4.35)
Income-tax expense/(income) recognised in OCI	1.17	(4.35)
(c) Reconciliation of effective tax rate:		
Profit before tax	10,958.62	8,175.05
Enacted tax rate in India*	25.17%	25.17%
Tax expense at enacted rates	2,758.07	2,057.50
Tax effect of:		
Others	(58.06)	22.87
	2,700.01	2,080.37
Tax pertaining to earlier years	(23.53)	(29.12)
Income-tax recognised in the statement of profit and loss	2,676.48	2,051.25

* The Taxation Laws (Amendment) Ordinance, 2019 ('Ordinance') was promulgated on September 20, 2019. The Ordinance has amended the Income Tax Act, 1961 and Finance Act, 2019 to inter-alia provide an option to domestic companies to pay income tax at a reduced tax of 22 percent plus applicable surcharge and cess with certain conditions to be met. The Company has opted for this amendment and tax rate is calculated at 22% plus applicable surcharge and cess.

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

	As at March 31, 2021	As at March 31, 2020
Income-tax assets, net	24.25	25.72
Current tax liabilities, net	(146.84)	(138.92)
	(122.59)	(113.20)

	Year ended March 31, 2021	Year ended March 31, 2020
Net current income-tax liability at the beginning of the year	113.20	161.27
Add: Current tax expense	3,150.00	2,290.00
Add: Tax pertaining to earlier years	(23.53)	(29.12)
Less: Tax paid during the year	(3,117.08)	(2,308.95)
Net income tax liability at the end of the year	122.59	113.20



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

Contingent liabilities

	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts:	-	-
Corporate guarantees to subsidiaries:		
- Medinova Diagnostic Services Limited.	-	36.01

The Company based on its legal assessment does not believe that any of the pending claims 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 commitments

	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	732.34	1,348.65

- 23 Pursuant to revised guidance note on Division II - Ind AS Schedule III to the Companies Act, 2013 revised in July 2019, as per para 9.4.2, the Company has not recognised share of profit/(loss) from its investment in Limited Liability Partnership (LLP) in the standalone financial statements.

24 Earnings per share

	For the year ended March 31, 2021	For the year ended March 31, 2020
Earnings for the year		
Net profit for the year attributable to equity shareholders (A)	8,282.15	6,123.80
Shares		
Original number of equity shares (post share split)*	4,53,18,190	4,53,18,190
Add: Impact of bonus issue effected after March 31, 2021 (Refer Note 37)	5,66,47,736	5,66,47,736
Weighted average number of equity shares for Basic EPS (B)	10,19,65,926	10,19,65,926
Add: Effect of dilution		
- On account of outstanding employee based share based options	17,139	19,463
- Impact of bonus issue effected after March 31, 2021 (Refer Note 37)	21,424	24,329
Weighted average number of equity shares for Diluted EPS (C)	10,20,04,489	10,20,09,718
(a) Basic earnings per share of face value of Rs. 1 each (A/B)	8.12	6.01
(b) Diluted earnings per share of face value of Rs. 1 each (A/C)	8.12	6.00

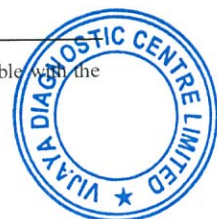
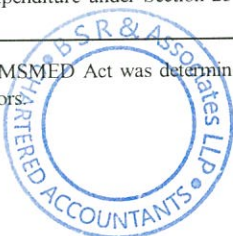
*The Company on March 22, 2021, has split the Rs. 10 equity share into 10 shares of Re. 1 each. Accordingly, the earnings per share has been adjusted for subdivision of shares for the current and previous year presented in accordance with the requirements of Indian Accounting Standard (Ind AS) 33 - Earnings per share.

25 Dues to micro and small enterprises

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

Particulars	March 31, 2021	March 31, 2020
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal	26.83	3.29
- 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 Company on the basis of information available with the Company and has been relied upon by the auditors.



26 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)
- (iii) Details of guarantees given by the Company is given in Note 22

27 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 CEO to make decisions about resources to be allocated to the segments and assess their performance.

The Chief Operating Decision Maker ("CODM") which is Board of Directors 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. Major customers

No single customer contributed more than 10% of the Company's Revenue during the year. Hence the Management believes that there are no major customers to be disclosed.

28 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.

- 29 In February 2019, the Honorable Supreme Court of India vide its judgement, clarified the definition and scope of 'Basic Wages' under the Employees' Provident Funds & Miscellaneous Provision Act, 1952. The judgement is silent on the retrospective application and in the absence of any guidelines by the regulatory authorities and considering the practical difficulties, no effect is given for the earlier periods as the same is currently not determinable.

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30 Employee benefit plans

The Company has following post employment benefit plans:

(a) Defined contribution plans

Contributions were made to provident fund 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. 290.51 lakhs (March 31, 2020: Rs. 254.96 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 lakhs.

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:

	March 31, 2021			March 31, 2020		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	342.48	146.95	195.53	263.56	164.41	99.15
Current service cost	86.35	-	86.35	75.17	-	75.17
Interest expense/ (income)	21.60	(9.29)	12.31	19.19	(11.98)	7.21
Recognised in statement of profit or loss	107.95	(9.29)	98.66	94.36	(11.98)	82.38
<i>Remeasurements</i>						
Return on plan assets, excluding amounts included in interest expense	-	2.40	2.40	-	4.29	4.29
Actuarial (gains)/ losses arising from:						
- Changes in demographic assumptions	-	-	-	0.04	-	0.04
- Changes in financial assumptions	4.17	-	4.17	21.25	-	21.25
- Experience variance (i.e. actual experience vs assumptions)	(11.23)	-	(11.23)	(8.31)	-	(8.31)
Re-measurements recognised in other comprehensive income	(7.06)	2.40	(4.66)	12.98	4.29	17.27
Contribution paid to the plan	-	81.82	(81.82)	-	3.27	(3.27)
Benefits paid	(30.46)	(31.04)	0.58	(28.42)	(28.42)	-
Closing balance	412.91	204.62	208.29	342.48	146.95	195.53

ii. Plan assets

Plan assets comprises of the following:

Funds managed by Life Insurance Corporation of India

March 31, 2021	March 31, 2020
100%	100%

iii. Actuarial assumptions

Principal actuarial assumptions for defined benefit obligation are as follows:

	March 31, 2021	March 31, 2020
Discount rate	6.15%	6.30%
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:

	Change in assumption		Impact on defined benefit obligation					
	March 31, 2021	March 31, 2020	Increase in assumption		Decrease in assumption		March 31, 2021	March 31, 2020
Discount rate	1.00%	1.00%	Decrease by	26.54	22.34	Increase by	29.81	25.14
Salary escalation rate	1.00%	1.00%	Increase by	28.98	24.46	Decrease by	26.34	22.21
Attrition rate	50.00%	50.00%	Decrease by	26.92	23.59	Increase by	43.40	37.52

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.

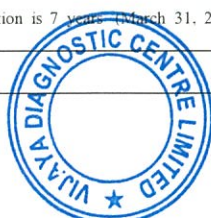
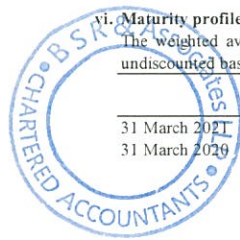
v. Expected contributions to the plan for the next annual reporting period

Expected contribution to post-employment benefit plans for the next year ending March 31, 2022 is Rs. 42.70 lakhs (March 31, 2021 is Rs. 45.00 lakhs)

vi. Maturity profile of the defined benefit liability

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2020 - 7 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
31 March 2021	42.70	191.13	193.23	247.85
31 March 2020	35.81	157.24	160.03	219.85



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)
 (All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

31 Share based payments

VDCPL 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 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 aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

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.

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 and performance based options under Scheme 6 become eligible and vest on an annual basis at 18%, 25%, 33% and 24% over a period of four years. 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.

The Company accordingly, granted 933,808 options under four grants of 463,750 options, 9,000 options, 75,780 options and 385,278 options to eligible employees on May 10, 2018, October 31, 2018, April 01, 2019 and March 25, 2021 respectively, under ESOP 2018 - Scheme 1, Scheme 2, Scheme 3, Scheme 4, Scheme 5 and Scheme 6. The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

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. 19.55 lakhs (March 31, 2020: Rs. 40.98 lakhs).

Also, refer note 37 for issue of bonus shares made subsequent to 31 March 2021

(A) Details of options granted under ESOP 2018* 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	10-May-18	4,63,750	1,29,450	220.00	222.10
2nd Grant	31-Oct-18	9,000	9,000	233.90	233.90
3rd Grant	01-Apr-19	75,780	20,780	236.90	236.90
4th Grant	25-Mar-21	3,85,278	3,85,278	250.00	250.00

* The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

(B) The movement of stock options during the year (in No's) :

	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	2,14,230	1,38,450
Granted during the year	3,85,278	75,780
Vested/exercisable during the year	-	-
Forfeited during the year	55,000	-
Exercised during the year	-	-
Balance at the end of the year	5,44,508	2,14,230

(C) Disclosures as per IND AS 102 for outstanding options*:

	Year ended March 31, 2021	Year ended March 31, 2020
Weighted average exercise price for outstanding options at year end (in INR)	241.89	226.56
Weighted average remaining contractual life for outstanding options at year end	9.19 years	8.45 years
Range of exercise prices for outstanding options at year end (in INR)	220.00 - 250.00	220.00 - 236.90

* The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

(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
10-May-18	0%	7.95%	5.5 Years to 7 Years	21.32%
31-Oct-18	0%	7.84%	5.5 Years to 7 Years	24.95%
01-Apr-19	0%	7.15%	5.5 Years to 7 Years	29.52%
25-Mar-21	0%	6.12%	5.5 Years to 7 Years	43.78%

* The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

32 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 Ltd. VDC Diagnostics (Karnataka) LLP
Step down subsidiaries	Namrata Diagnostic Centre Private Limited 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 (Chief Executive Officer) K Sunil Chandra (Executive Director) S Geetha Reddy (Additional Director) Vijay Gupta (Company Secretary upto 03 Jun 2019) V Sri Lakshmi (Company Secretary w.e.f 18 Jul 2019) Sandhya Rani.S (Chief Financial Officer upto 18 Apr 2021) Narasimha Raju K.A (Chief Financial Officer w.e.f 27 May 2021)
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 Vaishnavi Diagnostic Private Limited S Square Properties LLP Park Health Systems Private Limited IFFCO Kisan Sez Limited
Relative of KMP	B Vishnu Priya (Wife of K Sunil Chandra) C Damodar Reddy (Husband of S Suprita Reddy) C Rhea Reddy (Daughter of S Suprita Reddy) C Arjun Reddy (Son of S Suprita Reddy) S Suhas Reddy (Son of K Sunil Chandra) S Sushmita Reddy (Daughter of K Sunil Chandra)
Controlled Trust	Vijaya Diagnostic Charitable Trust

(b) Details of transactions during the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent paid		
Dr. S Surendranath Reddy	362.70	383.58
K Sunil Chandra	72.21	76.15
S Suprita Reddy	40.79	43.31
S Geetha Reddy	227.75	241.56
B Vishnu Priya	1.49	1.63
Vijaya Hospitals Private Limited	89.45	97.77
Riembursement of Expenses		
VDC Diagnostics (Karnataka) LLP	0.30	-
Doctors Lab Medical Services Private Ltd.	0.01	-
Rental deposits given, net *		
Dr. S Surendranath Reddy	-	15.10
S Suprita Reddy	8.24	3.47
K Sunil Chandra	8.24	-
S Geetha Reddy	42.36	-
Sale of consumables		
VDC Diagnostics (Karnataka) LLP	-	1.09
Medinova Diagnostics Services Limited	3.91	-
Purchase of consumables		
Park Health Systems Private Limited	1.00	-
Sale of services		
Medinova Diagnostic Services Limited	327.46	19.37
VDC Diagnostics (Karnataka) LLP		12.05
Medinova Millennium MRI Services LLP	0.00	0.35
Park Health Systems Private Limited	65.41	55.44



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32 Related parties (continued)

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
Loans given		
Medinova Diagnostic Services Limited	-	45.38
VDC Diagnostics (Karnataka) LLP	-	69.85
Doctors Lab Medical Services Private Ltd.	7.30	10.04
Loans recovered		
Medinova Diagnostic Services Limited	76.15	4.05
VDC Diagnostics (Karnataka) LLP	78.90	0.96
Doctors Lab Medical Services Private Ltd.	-	75.00
Conversion of Loan into Investment		
VDC Diagnostics (Karnataka) LLP	-	1,550.00
Interest income		
Medinova Diagnostic Services Limited	3.13	5.49
Remuneration to KMP and their relatives		
Dr. S Surendranath Reddy	165.00	180.00
K Sunil Chandra	55.00	60.00
S Suprita Reddy	137.50	150.00
Sri Lakshmi.V	8.53	6.22
Vijay Gupta	-	1.28
Sandhya Rani.S	86.48	90.80

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

	As at March 31, 2021	As at March 31, 2020
Rent payable		
Dr. S Surendranath Reddy	-	(22.53)
S Suprita Reddy	-	(2.54)
K Sunil Chandra	-	(3.97)
Vijaya Hospitals Pvt. Ltd.	-	(5.71)
S Geetha Reddy	-	(14.20)
B Vishnu Priya	-	(0.10)
Rental deposits *		
Vijaya Hospitals Pvt. Ltd.	34.95	34.95
Dr. S Surendranath Reddy	114.14	114.14
S Suprita Reddy	25.59	17.35
K Sunil Chandra	33.00	24.76
S Geetha Reddy	117.61	71.77
B Vishnu Priya	0.72	0.72
Trade receivables		
Medinova Diagnostic Services Limited	79.12	99.57
Medinova Millennium MRI Services LLP	0.32	3.51
Park Health Systems Private Limited	6.61	10.19



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

32 Related parties (continued)

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

	As at March 31, 2021	As at March 31, 2020
Share of loss in LLP		
VDC Diagnostics (Karnataka) LLP	(1,760.00)	(1,760.00)
Loans outstanding		
Medinova Diagnostic Services Limited	-	70.66
Doctors Lab Medical Services Private Ltd.	104.97	97.66
VDC Diagnostics (Karnataka) LLP	-	78.59
Interest receivable		
Medinova Diagnostic Services Limited	-	5.49
Remuneration payable to KMP		
Dr. S Surendranath Reddy	-	(9.82)
K Sunil Chandra	-	(3.48)
S Suprita Reddy	-	(8.12)
Sri Lakshmi.V	-	(0.71)
Vijay Gupta	-	-
Sandhya Rani.S	-	(14.80)
Corporate guarantees outstanding		
Medinova Diagnostic Services Limited	-	36.01

* The amount represents the gross amount given as security deposits to the related parties.

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.)

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33 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:

	March 31, 2021	March 31, 2020
Total debt	0.00	2,790.00
Total equity	36,054.91	27,749.73
Debt equity ratio	-	0.10

The Company's bank balances are at March 31, 2021 Rs. 19,441.74 lakhs (March 31, 2020: Rs 11,365.80 lakhs) which are significantly higher than the debt outstanding of Rs Nil (March 31, 2020: Rs. 2,790 lakhs).

34 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, 2021		March 31, 2020		Fair value level
		Amortised cost	Fair value	Amortised cost	Fair value	
Financial assets						
Investments (other than in subsidiary Companies and LLP)						
- in mutual funds - FVTPL	6 (a)	-	2,762.73	-	5,340.24	Level 1
- in equity instruments - FVOCI	6 (a)	-	4.00	-	4.00	Level 3
Trade receivables	6 (b)	633.94	-	846.98	-	
Loans	6 (c)	735.55	-	790.92	-	
Cash and cash equivalents	6 (d)	631.32	-	5,548.53	-	
Other bank balances	6 (e)	18,223.50	-	5,817.27	-	
Other financial assets	6 (f)	1,083.00	-	50.14	-	
Total financial assets		21,307.31	2,766.73	13,053.84	5,344.24	
Financial liabilities						
Borrowings	11 (a)	-	-	2,790.00	-	
Lease liabilities	4(b)	13,657.46	-	12,838.62	-	
Trade payables	11 (b)	2,027.26	-	1,896.88	-	
Other financial liabilities	11 (c)	440.57	-	1,193.90	-	
Total financial liabilities		16,125.29	-	18,719.40	-	

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. With respect to Corporate guarantees, the management has measured the fair value of such contracts as 'Nil'.

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 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 year and no transfers in either direction in previous year.

iii. Level 3 fair values

	FVOCI Equity securities	
	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	4.00	4.00
Investment made	-	-
Net change in fair value (unrealised)	-	-
Balance as at the end of the year	4.00	4.00

A one percentage change in the unobservable inputs used in the fair valuation of level 3 assets does not have a significant impact in the fair value of the financial instrument.



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34 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
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.

	< 180 days	> 180 days	Provision	Total
March 31, 2021	638.84	146.65	(151.55)	633.94
March 31, 2020	507.82	504.52	(165.36)	846.98

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment 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, 2021	March 31, 2020
Balance at the beginning of the year	165.36	180.87
Add: Allowance measured at lifetime expected credit loss	27.93	46.08
Less: Amounts written off	(41.74)	(61.59)
Balance at the end of the year	151.55	165.36

The Company has an exposure of Rs. 104.97 lakhs as at March 31, 2021 (March 31, 2020: Rs. 252.41 lakhs) 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, 2021 or March 31, 2020. 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. The funds are invested as per "Investment Policy" approved by the Board of Directors and are made only in debt funds with rating of AAA+ and with no exposure of more than 20% to a single fund house.

The security deposit pertains to rent deposit given to lessors. The Company does not expect any losses from non-performance by these counter-parties



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34 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 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, 2021	Carrying amount	Total	Contractual cash flows			
			Less than 1 year	1-2 years	2-5 years	More than 5 years
Borrowings (including current maturities of long-term borrowings)	-	-	-	-	-	-
Lease liabilities	13,657.46	21,043.38	2,143.19	2,217.30	6,590.95	10,091.94
Trade payables	2,027.26	2,027.26	2,027.26	-	-	-
Deferred capital creditors - on purchase of medical equipments	104.84	111.27	86.96	24.31	-	-
Capital creditors	68.07	68.07	68.07	-	-	-
Other financial liabilities	267.66	267.66	267.66	-	-	-
	16,125.29	23,517.64	4,593.14	2,241.61	6,590.95	10,091.94

March 31, 2020	Carrying amount	Total	Contractual cash flows			
			Less than 1 year	1-2 years	2-5 years	More than 5 years
Borrowings (including current maturities of long-term borrowings)	2,790.00	2,790.00	908.63	919.76	961.61	-
Lease liabilities	12,838.62	19,877.64	1,944.58	1,974.12	6,163.40	9,795.54
Trade payables	1,896.88	1,896.88	1,896.88	-	-	-
Deferred capital creditors - on purchase of medical equipments	231.43	253.03	151.69	77.03	24.31	-
Capital creditors	248.85	248.85	248.85	-	-	-
Other financial liabilities	713.62	713.62	713.62	-	-	-
	18,719.40	25,780.02	5,864.25	2,970.91	7,149.32	9,795.54

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 - 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.

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

A. Contract	As at	
	March 31, 2021	March 31, 2020
Contract assets		
- Unbilled revenue	-	-
- Trade receivables	785.49	1,012.34
Contract liabilities		
- Advances from customers	-	-
- Contract liability- deferred revenue	20.99	27.45

B. Movement in contract liabilities during the year

	As at March 31, 2021	As at March 31, 2020
Deferred Revenue		
Balance at the beginning of the year	27.50	30.50
Less: Revenue recognised from above	(15.69)	(16.82)
Add: Addition during the year	9.18	13.77
Balance at the end of the year	20.99	27.45

C. Reconciliation of Revenue from contract with customers

	As at March 31, 2021	As at March 31, 2020
Revenue from contract with customer as per the contract price		
Adjustments made to contract price on account of :-	37,679.46	33,982.00
Discount / Rebates	(973.66)	(1,127.78)
Revenue from contract with customer	36,705.80	32,854.22
Other operating revenue	25.79	10.90
Revenue from operations	36,731.59	32,865.12



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Standalone Financial Statements for the year ended March 31, 2021 (continued)

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

36 Global Health Pandemic

During the year ended 31 March 2021 and 31 March 2020, the outbreak of COVID-19 in many countries has brought about disruptions to businesses around the world and uncertainty to the global economy. The Company is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its employees, vendors and business partners. The Company based on the information available to date, both internal and external, considered the uncertainty relating to the COVID-19 pandemic in assessing its impact on the financial statements. Based on the current estimates, the Company expects to fully recover the carrying amount of assets, and does not foresee any material adverse impact on its operations. As the outbreak continues to evolve, the Company will continue to closely monitor any material changes to future economic condition.

37 Subsequent event : Bonus issue of equity shares

Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 26 May 2021, the Company issued and allotted fully paid-up "bonus shares" on 27 May 2021 at par in proportion of five new equity shares of Re. 1 each for every four existing fully paid up equity shares of Re. 1 each held as on the record date of 26 May 2021 by utilizing securities premium account. The employee stock options granted under ESOP 2018 plan and the corresponding exercise prices will be adjusted to give effect of the allotment of bonus shares. The basic/diluted earnings per share in respect of current and previous years has been adjusted for issue of these bonus shares subsequent to 31 March 2021 in accordance with Ind AS 33.

38 Comparative figures

The Comparative figures for the previous year have been re-arranged to conform with the current year presentation of the accounts.

As per our Report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 116231W/W-100024



Sri Mahalingam

Partner

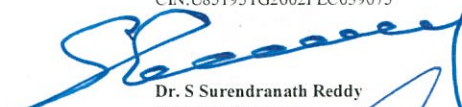
Membership Number: 049642

for and on behalf of the Board of Directors of

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

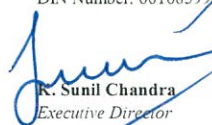
CIN:U85195TG2002PLC039075



Dr. S Surendranath Reddy

Executive Chairman

DIN Number: 00108599



R. Sunil Chandra

Executive Director

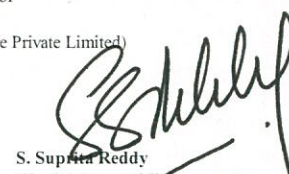
DIN Number: 01409332



V. Sri Lakshmi

Company Secretary

Membership No:F9950



S. Supra Reddy

Chief Executive Officer



Narasimha Raju K.A.

Chief Financial Officer

Place: Palakkad

Date: 27 May 2021

Place: Hyderabad

Date: 27 May 2021



B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City

Orwell, B Wing, 6th Floor, Unit-3
Sy No.83/1, Plot No.2, Raidurg
Hyderabad - 500 081, India

Telephone: +91 40 7182 2000
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INDEPENDENT AUDITORS' REPORT

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited')

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private 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 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate 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 2021, 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 audit reports of the other auditors referred to "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.



Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

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 consolidated financial statements and our auditors' report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ 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 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 and limited liability partnership and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies / Designated Partners of the limited liability partnership included in the Group are responsible for assessing the ability of each company and limited liability partnership 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 / limited liability partnership or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies / Designated Partners of limited liability partnership included in the Group is responsible for overseeing the financial reporting process of each company and limited liability partnership.



Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited')

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled 'Other Matters' in this audit report.



Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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.

Other Matters

- (a) We did not audit the financial statements of 5 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 1,213.57 lakhs as at 31 March 2021, total revenues (before consolidation adjustments) of Rs. 1,274.53 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 28.97 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 audit 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 the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 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 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.



Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

Report on Other Legal and Regulatory Requirements (continued)

- 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 1 April 2021 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 2021 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 22 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2021.
 - iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021



B S R & Associates LLP

Independent auditors' report (continued)

To the Members of Vijaya Diagnostic Centre Limited (Formerly known as Vijaya Diagnostic Centre Private Limited)

Report on Other Legal and Regulatory Requirements (continued)

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us 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) which are required to be commented upon by us.

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 116231 W/W- 100024



Sriram Mahalingam

Partner

Membership No.: 049642

ICAI UDIN: 21049642AAAABN2741

Place: Palakkad

Date: 27 May 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') for the year ended 31 March 2021

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 Companies Act, 2013

(Referred to in clause (f) paragraph 1 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 the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Vijaya Diagnostic Centre Limited (formerly known as 'Vijaya Diagnostic Centre Private Limited') (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

In our opinion, 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 consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.



Annexure A to the Independent Auditors' report on the consolidated financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') for the year ended 31 March 2021

Auditors' Responsibility (continued)

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

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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



Annexure A to the Independent Auditors' report on the consolidated financial statements of Vijaya Diagnostic Centre Limited (Formerly known as 'Vijaya Diagnostic Centre Private Limited') for the year ended 31 March 2021

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company which is incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 116231 W/W- 100024



Sriram Mahalingam

Partner

Membership No. 049642

ICAI UDIN: 21049642AAAABN2741

Place: Palakkad

Date: 27 May 2021

Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Consolidated Balance Sheet as at March 31, 2021
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I Non-current assets			
(a) Property, plant and equipment	4 (a)	13,576.84	13,984.89
(b) Capital work-in-progress	4 (a)	818.21	926.12
(c) Right of use assets	4 (b)	12,600.07	12,537.71
(d) Other intangible assets	5	60.05	103.57
(e) Intangible assets under development	5	123.63	36.50
(f) Goodwill on consolidation	5	533.75	533.75
(g) Financial assets			
(i) Investments	6 (a)	4.00	4.00
(ii) Loans	6 (c)	619.65	538.51
(iii) Other financial assets	6 (f)	602.52	10.00
(h) Deferred tax assets, (net)	7	609.71	158.14
(i) Non-current tax assets, (net)	21 (d)	56.99	69.70
(j) Other non-current assets	9	610.91	666.16
Total non-current assets		30,216.33	29,569.05
II Current assets			
(a) Inventories	8	264.43	277.32
(b) Financial assets			
(i) Investments	6 (a)	2,762.73	5,467.32
(ii) Trade receivables	6 (b)	640.73	799.66
(iii) Cash and cash equivalents	6 (d)	668.56	5,556.81
(iv) Bank balances other than (iii) above	6 (e)	18,755.50	6,262.30
(v) Loans	6 (c)	29.43	5.73
(vi) Other financial assets	6 (f)	489.50	48.47
(c) Other current assets	9	267.16	217.31
Total current assets		23,878.04	18,634.92
TOTAL ASSETS (I + II)		54,094.37	48,203.97
EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	10 (a)	453.19	453.19
(b) Instruments entirely equity in nature	10 (b)	-	-
(c) Other equity	10 (c)	35,447.45	26,979.59
Equity attributable to owners of the Company		35,900.64	27,432.78
Non-controlling interest		22.62	(40.39)
Total equity		35,923.26	27,392.39
Liabilities			
II Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11 (a)	327.45	2,213.30
(ii) Lease liabilities	4 (b)	12,647.22	11,960.97
(iii) Other financial liabilities	11 (c)	21.79	87.45
(b) Provisions	12	770.18	674.03
(c) Other non-current liabilities	13	5.30	11.76
Total non-current liabilities		13,771.94	14,947.51
III Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11 (a)	119.69	130.45
(ii) Lease liabilities	4 (b)	1,010.24	877.65
(iii) Trade payables	11 (b)		
total outstanding dues of micro and small enterprises		26.83	3.29
total outstanding dues of creditors other than micro and small enterprises		2,189.36	2,166.16
(iv) Other financial liabilities	11 (d)	612.57	2,237.06
(b) Provisions	12	73.57	103.72
(c) Current tax liabilities, net	21 (d)	162.40	144.73
(d) Other current liabilities	13	204.51	201.01
Total current liabilities		4,399.17	5,864.07
Total liabilities (II + III)		18,171.11	20,811.58
TOTAL EQUITY AND LIABILITIES (I + II + III)		54,094.37	48,203.97
Corporate information	1		
Summary of significant 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 **BSR & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 116231W/W-100024


Shyam Mahalingam
Partner

Membership Number: 049642

for and on behalf of the Board of Directors of

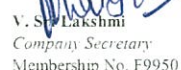
Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

CIN: U85195TG2002PLC039075


Dr. S Surendranath Reddy
Executive Chairman
DIN Number: 00108599


K Sumil Chandra
Executive Director
DIN Number: 01409332


V. Sri Lakshmi
Company Secretary
Membership No. F9950

Place: Hyderabad
Date: May 27, 2021


S Suprita Reddy
Chief Executive Officer


Narasimha Raju K.A
Chief Financial Officer



Place: Palakkad
Date: May 27, 2021

Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Consolidated Statement of profit and loss for the year ended March 31, 2021
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
1 Income			
(a) Revenue from operations	14	37,674.57	33,882.09
(b) Other income	15	1,184.64	1,536.14
Total income		38,859.21	35,418.23
2 Expenses			
(a) Cost of materials consumed	16	5,709.45	4,390.58
(b) Employee benefits expense	17	5,743.33	6,240.01
(c) Finance costs	19	1,524.60	1,538.43
(d) Depreciation and amortisation expense	18	5,045.14	4,916.94
(e) Other expenses	20	9,624.30	9,989.55
Total expenses		27,646.82	27,075.51
3 Profit Before Tax (PBT) [1 - 2]		11,212.39	8,342.72
4 Tax expense	21		
(a) Current tax		3,174.49	2,306.36
(b) Deferred tax, net		(453.17)	(214.42)
(c) Tax pertaining earlier years		(21.58)	(26.83)
Total tax expense		2,699.74	2,065.11
5 Profit for the year [3-4]		8,512.65	6,277.61
6 Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
(a) Remeasurement of the defined benefit obligations		(0.16)	(17.54)
(b) Income-tax relating to above item		(1.17)	4.35
Other comprehensive income for the year (net of tax)		(1.33)	(13.19)
7 Total comprehensive income for the year [5+6]		8,511.32	6,264.42
Profit for the year attributable to Owners		8,447.82	6,280.72
Profit/(Loss) for the year attributable to Non-controlling interests		64.83	(3.11)
Total comprehensive income attributable to Owners		8,448.31	6,267.63
Total comprehensive income/(loss) attributable to Non-controlling interests		63.01	(3.21)
Earnings per equity share (face value of Rs. 10 each fully paid up)	23		
- Basic (in Rs.)		8.28	6.16
- Diluted (in Rs.)		8.28	6.16
Corporate information	1		
Summary of significant 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 **BSR & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 116231W/ W-100024


Sriram Mahalingam
Partner

Membership Number: 049642

for and on behalf of the Board of Directors

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

CIN: U85195TG2002PLC039075


Dr. S Surendranath Reddy
Executive Chairman
DIN Number: 00108599


S. Supriya Reddy
Chief Executive Officer


K. Sunil Chandra
Executive Director
DIN Number: 01409332


Narasimha Raju K.A
Chief Financial Officer


V. Sri Lakshmi
Company Secretary
Membership No. F9950



Place: Palakkad
Date: May 27, 2021

Place: Hyderabad
Date: May 27, 2021

Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

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

Particulars	Equity share capital	Compulsorily Convertible Shares (CCPS) (Series A)	Compulsorily Convertible Shares (CCPS) (Series B)	Reserves and surplus			Total attributable to owners of the Company	Total attributable to Non-controlling interest	Total
				General reserve	Securities premium account	Employee share options outstanding account			
Balance as at April 01, 2019	452.89	141.31	99.99	493.20	4,915.75	22.20	21,124.17	(37.18)	21,086.99
Total comprehensive income for the year ended March 31, 2020	-	-	-	-	-	-	6,280.72	(3.11)	6,277.61
Profit for the year	-	-	-	-	-	-	(13.09)	(0.10)	(13.19)
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	-	6,267.63	(3.21)	6,264.42
Total comprehensive income	-	-	-	-	-	-	40.98	-	40.98
Share based payment (Refer Note 29)	-	-	-	-	-	-	-	-	-
Conversion of CCPS into Equity share capital	0.30	(141.31)	(99.99)	-	241.00	-	-	-	-
Balance as at March 31, 2020	453.19	-	-	493.20	5,156.75	63.18	27,432.78	(40.39)	27,392.39
Total comprehensive income for the year ended March 31, 2021	-	-	-	-	-	-	8,447.82	64.83	8,512.65
Profit for the year	-	-	-	-	-	-	0.49	(1.82)	(1.33)
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	-	8,448.31	63.01	8,511.32
Total comprehensive income for the year	-	-	-	-	-	-	19.55	-	19.55
Share based payment (Refer Note 29)	-	-	-	-	-	-	-	-	-
Balance at March 31, 2021	453.19	-	-	493.20	5,156.75	82.73	35,900.64	22.62	35,923.26

As per our Report of even date attached

for BSR & Associates LLP

Chartered Accountants

ICAI Firm registration number: 116231W/W-100024



Sriram Mahalingam

Partner

Membership Number: 049642

for and on behalf of the Board of Directors

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

CIN: U85195TG2002PLC039075



Dr. S Surendranath Reddy

Executive Chairman

DIN Number: 00108599



K. Sunil Chandra

Executive Director

DIN Number: 01409332



V. Sri Lakshmi

Company Secretary

Membership No. 139950

Place: Palakkad

Date: May 27, 2021

Place: Hyderabad

Date: May 27, 2021



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Consolidated Statement of cash flows for the year ended March 31, 2021

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

	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	11,212.39	8,342.72
Adjustments for:		
Depreciation and amortisation expense	5,045.14	4,916.94
Net gain on sale/ retirement of property, plant and equipment	(15.63)	(149.13)
Profit on slump sale of diagnostic center (Refer Note: 33)	-	(182.15)
Interest income	(959.57)	(426.31)
Profit on sale of mutual fund investments	(15.68)	(490.21)
Provision for credit impaired receivables	33.88	46.08
Fair value movement on financial instruments	(32.87)	(168.10)
Liabilities no longer required, written back	(154.36)	(73.53)
Employee stock option expense	19.55	40.98
Finance cost	1,350.85	1,392.62
Bad debts written-off	33.16	5.65
Advances written-off	25.85	8.62
Operating profit before changes in assets and liabilities	16,542.71	13,264.18
Changes in working capital items:		
(Increase)/ decrease in inventories	12.89	(59.49)
(Increase)/ decrease in trade receivables	91.89	70.27
(Increase)/ decrease in other financial assets	(196.93)	(20.40)
(Increase)/ decrease in other assets	(83.97)	(402.23)
Increase in trade payables	46.74	(6.15)
Decrease in provisions and other liabilities	(25.79)	(25.49)
Increase in other financial liabilities	(301.42)	118.98
Cash generated from operations	16,086.12	12,939.67
Current taxes paid	(3,122.53)	(2,328.65)
Net cash generated from operating activities	12,963.59	10,611.02
B. Cash flows from investing activities		
Acquisition of property, plant and equipment and CWIP	(3,213.01)	(4,754.69)
Proceeds from sale of property, plant and equipment	90.32	1,006.04
Redemption of debt oriented liquid mutual funds, (net)	2,753.14	2,074.62
Deposits placed having original maturity of more than 3 months, (net)	(13,080.48)	(1,961.46)
Interest received	475.00	573.35
Net cash outflow from investing activities	(12,975.03)	(3,062.14)
C. Cash flows from financing activities		
Repayment of long-term borrowings	(2,826.01)	(893.76)
Proceeds/(Repayments) from/to short-term borrowings, net	(10.76)	(64.86)
Repayment of lease liabilities (including interest)	(1,896.53)	(1,675.14)
Interest paid	(143.61)	(320.40)
Net cash (outflow)/inflow from financing activities	(4,876.91)	(2,954.16)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(4,888.35)	4,594.72
Cash and cash equivalents at the beginning of the financial year	5,556.81	962.09
Cash and cash equivalents at end of the year	668.46	5,556.81

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.



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Consolidated Statement of cash flows for the year ended March 31, 2021
 (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:

	March 31, 2021	March 31, 2020
Cash on hand	81.86	27.25
Balances with banks		
- in current accounts	586.70	5,529.56
Total cash and cash equivalents (refer note 6(d))	668.56	5,556.81

Movement in financial liabilities:

Opening balance

Non-current borrowings (including current maturities)	3,153.46	4,047.22
Current borrowings	130.45	195.31
Lease liabilities	12,838.62	11,011.08
Interest accrued but not due on borrowings	132.53	112.27

Movement

Cash flows	(4,876.91)	(2,954.16)
Interest expense	1,298.07	1,333.11
Other non-cash movements		
- Additions / Disposals to lease liabilities (net)	1,574.07	2,510.23

Closing balance

Non-current borrowings (including current maturities)	327.45	3,153.46
Current borrowings	119.69	130.45
Lease liabilities	13,657.46	12,838.62
Interest accrued but not due on borrowings	145.69	132.53

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 & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 116231W/ W-100024



Sriram Mahalingam

Partner

Membership Number: 049642

for and on behalf of the Board of Directors

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)


CIN: U185195TG2002PLC039075



Dr. S Surendranath Reddy

Executive Chairman

DIN Number: 00108599



K. Sunil Chandra

Executive Director

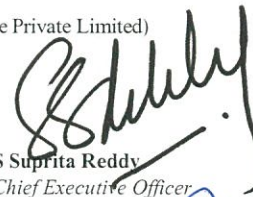
DIN Number: 01409332



V. Sri Lakshmi

Company Secretary

Membership No. F9950



S Suprita Reddy

Chief Executive Officer



Narasimha Raju K.A

Chief Financial Officer

Place: Palakkad

Date: May 27, 2021

Place: Hyderabad

Date: May 27, 2021



1 Corporate Information

Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private 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 and its subsidiaries have been incorporated under the provisions of the Companies Act, 2013 and the Limited Liability Partnership Act, 2008. The Company is domiciled in India, having its registered office located at # 3-6-16 & 17, Street No 19, Himayat Nagar, Hyderabad - 500 029, India and the Corporate office is located at # 6-3-883/F, Ground Floor of Family Planning Association of India, Panjagutta, Hyderabad - 500 082, India.

The Company was converted into a public limited company under the Companies Act, 2013 on March 22, 2021 and consequently, the name was changed to "Vijaya Diagnostic Centre Limited".

2 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

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.

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 May 27, 2021.

(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
- Equity settled share based payments at grant date : Measured at fair value

(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 3(L) and 4(b) - lease classification.
- Note 3(L) and 4(b) - Whether an arrangement contains a lease and lease classification;

Assumptions and estimation uncertainties

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

- Note 3(G) – Impairment testing for goodwill generated on consolidation;
- Note 4(a) and Note 5 – determining an asset's expected useful life and the expected residual value at the end of its life
- Note 6(b) – Impairment of financial assets;
- 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;



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2 Basis of preparation (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 32 - 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.

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.



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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 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.

e. Subsidiaries considered in the consolidated financial statements:

S.No.	Name of the entity	Relationship	Country of incorporation	Ownership interest in %	
				March 31, 2021	March 31, 2020
1	Medinova Diagnostic Services Limited	Subsidiary	India	62.14%	62.14%
2	VDC Diagnostic (Karnataka) LLP	Subsidiary	India	100.00%	100.00%
3	Doctors Lab Diagnostic Centre Private Limited	Subsidiary	India	100.00%	100.00%
4	Medinova Millennium MRI Services LLP*	Step down subsidiary	India	55.07%	55.07%
5	Namrata Diagnostic Centre Private Limited**	Step down subsidiary	India	100.00%	100.00%

*Subsidiary of Medinova Diagnostic Services Limited

**Subsidiary of Doctors Lab Diagnostic Centre Private Limited



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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

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 significant 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.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that economic benefits will flow to the entity and when the underlying tests are conducted, samples are processed for requisitioned diagnostic tests. Each diagnostic 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.

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 transfers services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs its obligation under the contract.

ii) Income from 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

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

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.



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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 except trade receivables 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.



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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') over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

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:

<i>Asset category</i>	<i>Useful life estimated by the Management</i>	<i>Useful life as per Schedule II</i>
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 which ever is lower. In the case of leased hold building improvements, the depreciation is charged based on useful life of the improvements which is 10 years or lease period which ever is lower.

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 loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.



3 Summary of significant accounting policies (continued)

ii) Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the "written down value" (WDV) method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives are as follows:

- Software - 5 years

Amortisation method and useful lives are reviewed at the end of each financial year and adjusted if appropriate.

G. Goodwill on consolidation

Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	As at March 31, 2021	As at March 31, 2020
Goodwill on consolidation		
Medinova Diagnostic Services Limited	533.75	533.75

The Group's goodwill on consolidation are tested for impairment annually or more frequently if there are indications that goodwill might be impaired.

An impairment loss recognized for goodwill is not reversed in subsequent periods.

H. 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.

I. 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.

J. Impairment of assets

i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. 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).



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3 Summary of significant accounting policies (continued)

J. Impairment of assets (continued)

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.

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 amortisation, if no impairment loss has been recognised.

K. 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 and other funds. 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.

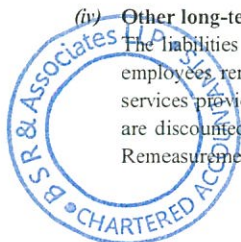
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

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.



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3 Summary of significant accounting policies (continued)

K. Employee benefits (continued)

(v) Share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model. The grant date fair value of options granted to employees is recognised as employee expense with a corresponding increase in employee stock options reserve, over the period in which the eligibility conditions are fulfilled and employees unconditionally become entitled to awards. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

L. 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 Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Under Ind AS 116, the Company assesses whether a contract is or contains a lease based on the definition of lease. On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied Ind AS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under Ind AS 17 were not reassessed for whether there is a lease. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after April 01, 2019.

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 Company used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17.

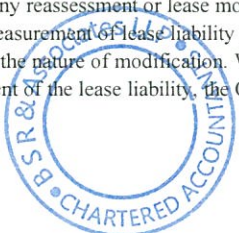
- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset:

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability:

The Company measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.



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3 Summary of significant accounting policies (continued)

M. 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.

N. 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. 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.

O. 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.



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3 Summary of significant accounting policies (continued)

P. 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.

Q. 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.

R. Investments

Investments representing equity interest 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.

S. 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.

T. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Standalone financial statements is required to be disclosed.



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)

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

4 (a) Property, plant and equipment

Particulars	Freehold land	Building	Building on leasehold land	Leasehold improvements	Plant and equipment - Medical	Plant and equipment - Others	Electrical equipment	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
A. Gross value (at cost)												
As at April 01, 2019	233.55	719.94	1,416.77	2,115.21	12,846.16	2,048.38	776.83	1,044.75	158.01	362.83	331.42	22,053.85
Additions	-	-	-	369.93	2,178.69	209.05	193.09	366.69	53.72	120.58	55.02	3,546.77
Disposals	(28.14)	(102.10)	-	(132.32)	(698.83)	(55.90)	(30.38)	(40.11)	(5.50)	(8.10)	(32.98)	(1,134.36)
As at March 31, 2020	205.41	617.84	1,416.77	2,352.82	14,326.02	2,201.53	939.54	1,371.33	206.23	475.31	353.46	24,466.26
Additions	-	-	-	164.59	2,298.37	164.92	130.43	140.29	25.87	92.85	5.99	3,023.31
Disposals	-	-	-	-	(200.66)	(1.21)	(3.66)	-	-	-	(4.71)	(210.24)
As at March 31, 2021	205.41	617.84	1,416.77	2,517.41	16,423.73	2,365.24	1,066.31	1,511.62	232.10	568.16	354.74	27,279.33
B. Accumulated depreciation												
As at April 01, 2019	-	75.48	391.49	616.66	4,156.35	1,259.33	342.51	391.96	104.92	212.12	129.96	7,680.77
For the year ended	-	28.86	96.48	470.83	2,079.57	170.11	137.62	218.38	34.16	111.13	67.30	3,414.44
Disposals	-	(17.63)	-	(68.65)	(410.02)	(30.41)	(21.62)	(25.78)	(5.12)	(7.72)	(26.89)	(613.84)
As at March 31, 2020	-	86.71	487.97	1,018.84	5,825.90	1,399.03	458.51	584.56	133.96	315.53	170.37	10,481.37
For the year ended	-	25.87	86.05	403.83	2,097.60	167.56	143.99	224.05	42.29	106.87	58.56	3,356.67
Disposals	-	-	-	-	(127.99)	(0.60)	(2.67)	-	-	-	(4.29)	(135.55)
As at March 31, 2021	-	112.58	574.02	1,422.67	7,795.51	1,565.99	599.83	808.61	176.25	422.40	224.64	13,702.49
C. Net value (A-B)												
As at March 31, 2021	205.41	505.26	842.75	1,094.74	8,628.22	799.25	466.48	703.01	55.85	145.76	130.10	13,576.84
As at March 31, 2020	205.41	531.13	928.80	1,333.98	8,500.12	802.50	481.03	786.77	72.27	159.78	183.09	13,984.89

Notes:

1. Refer to note 22 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
2. Refer to note 11 for details of property, plant and equipment subject to charge on secured borrowings.

Capital work-in progress

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	926.12	270.86
Additions during the year	2,915.40	4,202.03
Less: Capitalizations	(3,023.31)	(3,546.77)
Balance at the end of the year	818.21	926.12



4 (b) Right of use assets and Lease Liabilities

Transition to Ind AS 116 "Leases" w.e.f April 01, 2019:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 "Leases" which replaces the existing lease standard, Ind AS 17 "Leases", and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The weighted average rate applied is 8.50%.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, under modified retrospective transition method, and has not restated comparative information.

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 adoption of this newly issued accounting standard Ind AS 116 "Lease" resulted in recognition of "Right of Use" asset of Rs. 12,537.71 lakhs and a lease liability of Rs. 12,838.62 lakhs as at March 31, 2020. Consequently, the profit before tax for the year ended March 31, 2020 is lower by Rs. 713.43 lakhs.

Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

(i) Movement in Right of use assets and Lease liabilities is given below:

Description	Right of use assets (Buildings)
Cost as at April 01, 2019	-
Due to transition to Ind AS 116 on April 01, 2019	11,011.08
Additions	2,562.14
Disposals during the current year	(51.91)
Adjustment (prepaid rent on present value of security deposits)	455.86
Cost as at March 31, 2020 (A)	13,977.17
Additions	1,705.75
Disposals	(74.89)
Cost as at March 31, 2021 (C)	15,608.03
Accumulated amortisation as at April 1, 2019	-
Amortisation for the year	1,439.46
Disposals	-
Accumulated amortisation as at March 31, 2020 (B)	1,439.46
Amortisation for the year	1,642.10
Disposals	(73.60)
Accumulated amortisation as at March 31, 2021 (D)	3,007.96
Net carrying amount as at March 31, 2020 (A)- (B)	12,537.71
Net carrying amount as at March 31, 2021 (C)- (D)	12,600.07

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at	
	March 31, 2021	March 31, 2020
Opening balance	12,838.62	-
Recognised on adoption of Ind AS 116	-	11,011.08
Additions during the year	1,575.45	2,562.14
Disposal during the year	(1.38)	(51.91)
Accretion of interest	1,141.30	992.45
Payment of lease liabilities	(1,896.53)	(1,675.14)
Closing balance	13,657.46	12,838.62
Less: Current lease liabilities	1,010.24	877.65
Non Current lease liabilities	12,647.22	11,960.97

(ii) Payments recognised as expenses and income

	Year ended	
	March 31, 2021	March 31, 2020
Short term leases and low value assets	66.22	147.78
	66.22	147.78

(iii) Contractual maturities of lease liabilities on undiscounted basis

	As at	
	March 31, 2021	March 31, 2020
Less than one year	2,143.19	1,944.58
One to five years	8,808.25	8,137.51
More than five years	10,091.94	9,795.54
	21,043.38	19,877.63



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5 Other intangible assets

Particulars	Software	Goodwill
A. Gross carrying value (at cost)		
As at April 01, 2019	175.45	687.95
Additions	91.71	-
Disposals (Refer Note 33)	(3.23)	(154.20)
As at March 31, 2020	263.93	533.75
Additions	2.85	-
Disposals	-	-
As at March 31, 2021	266.78	533.75
B. Accumulated amortization / Impairment		
As at April 01, 2019	100.82	-
Amortisation / Impairment for the year	62.62	-
Disposals	(3.08)	-
As at March 31, 2020	160.36	-
Amortisation / Impairment for the year	46.37	-
Disposals	-	-
As at March 31, 2021	206.73	-
C. Net carrying value (A-B)		
As at March 31, 2021	60.05	533.75
As at March 31, 2020	103.57	533.75

The Group performed its annual impairment test for years ended March 31, 2021 and March 31, 2020.

Impairment testing for cash generating unit containing goodwill:

The recoverable amount of the CGU, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by the Management covering a five year period. The pre-tax discount rate applied to cash flow projections for impairment testing during the years is stated in the below table and cash flows beyond the five year period are extrapolated using a long term growth rate as stated in the below table that is the same as the long-term average growth rate for the Diagnostic service industry.

The following table sets out the key assumption for the Cash Generating Unit ("CGU") for performing the annual impairment test:

	31-Mar-21	31-Mar-20
Discount rate	10%	10%
Terminal growth rate	5%	5%

The discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU.

There is no impairment noted in the above CGUs based on the assessment performed by the Management. Management has performed sensitivity analysis around the base assumption and have concluded that no reasonable possible change in key assumptions would cause the recoverable amount of the CGU lower than the carrying amount of CGU.

No impairment on goodwill was recognized during the current year or earlier years.

Intangible assets under development

Particulars	Amount
As at April 01, 2019	-
Additions	36.50
Disposals	-
As at March 31, 2020	36.50
Additions	87.13
Disposals	-
As at March 31, 2021	123.63



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2021	As at March 31, 2020
6 Financial assets		
(a) Investments - Non trade		
Non-current		
Investment in Equity Instruments - carried at FVOCI		
Unquoted		
C.R Broadcasting Hyderabad Limited	4.00	4.00
[40,000 (March 31, 2020: 40,000) equity shares of Rs. 10 each fully paid up]		
	4.00	4.00
Aggregate value of unquoted investments	4.00	4.00
Aggregate value of impairment in value of investments	-	-
Current		
Investments at fair value through profit or loss - quoted		
Mutual Funds		
Aditya Birla Sunlife Floating Rate Fund - 224,182.96 (March 31, 2020: Nil) units of Rs. 100 each	606.83	-
Aditya Birla Sunlife Low Duration Fund - 73,574.67 (March 31, 2020: Nil) units of Rs. 100 each	406.18	-
Birla Sunlife Savings Growth - 465,980.33 (March 31, 2020: 465,980.33) units of Rs. 100 each	-	1,867.78
HDFC Floting Rate Debt Growth - 3,509,067.43 (March 31, 2020: 3,509,067.43) units of Rs. 10 each	-	1,241.60
HDFC Low Duration Fund - 805,643.61 (March 31, 2020: Nil) units of Rs. 10 each	383.28	-
IDFC Cash Fund Growth - Nil (March 31, 2020: 22,531.99) units of Rs. 1,000 each	-	541.18
IDFC Low Duration Fund - 3,305,908.39 (March 31, 2020: Nil) units of Rs. 10 each	1,013.52	-
Invesco India Short Term Fund Growth -19,335.13 (March 31, 2020: Nil) units of Rs. 1,000 each	-	543.35
Invesco India Treasury Advantage Growth - 3,636.37 (March 31, 2020: Nil) units of Rs. 1,000 each	-	104.08
Invesco India Treasury Advantage Growth - 7,257.83 (March 31, 2020: Nil) units of Rs. 1,000 each	-	207.73
Kotak Low Duration Fund - 12,724.06 (March 31, 2020: Nil) units of Rs. 1,000 each	352.92	-
Reliance Prime Debt Growth - 2,215,404.46 (March 31, 2020: 2,215,404.46) units of Rs. 10 each	-	961.60
	2,762.73	5,467.32
Aggregate book value of quoted investments	2,762.73	5,467.32
Aggregate market value of quoted investments	2,762.73	5,467.32
(b) Trade receivables		
<i>(Unsecured)</i>		
Current		
Considered good *	640.73	799.66
Credit impaired	153.24	165.36
Less: Allowance for doubtful receivables (expected credit loss allowance)	(153.24)	(165.36)
	640.73	799.66
* Includes amount receivable from related parties (refer note 30)		
(c) Non-current Loans		
<i>(Unsecured, considered good)</i>		
Security deposits *	619.65	538.51
	619.65	538.51
* Includes amount receivable from related parties (refer note 30)		
Current Loans		
Security deposits *	29.43	5.73
	29.43	5.73
* Includes amount receivable from related parties (refer note 30)		
(d) Cash and cash equivalents		
Cash on hand	81.86	27.25
Balances with banks		
- in current accounts	586.70	5,529.56
	668.56	5,556.81
(e) Other bank balances		
Current		
Deposits due to mature after three months but before twelve months from the reporting date * @	18,755.50	6,262.30
	18,755.50	6,262.30

@ Fixed deposit of Rs. 228.67 lakhs (March 31, 2020: Rs 221.04 lakhs) under lien.

* The deposits made with banks comprise of time deposits, which are available at call.



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2021	As at March 31, 2020				
(f) Other financial assets (Unsecured, considered good)						
Non-current						
Balances with bank held as margin money	10.36	10.00				
Fixed deposit with banks, with remaining maturity of more than 12 Months	586.92	-				
Interest accrued on bank deposits and others	5.24	-				
	602.52	10.00				
Current						
Interest accrued on bank deposits and others	480.77	40.10				
Other receivables	8.73	8.37				
	489.50	48.47				
7 Deferred tax asset/(liabilities), net						
Deferred tax assets						
- On account of decommissioning liability on property, plant and equipment	117.90	94.60				
- On account of leases	392.42	179.56				
- On account of employee benefits	82.90	81.13				
- On account of credit impaired debts	38.14	41.62				
- On account of property, plant and equipment	20.71	19.22				
- On account of MAT credit entitlement	-	0.43				
- Others	43.86	46.39				
Sub total (A)	695.93	462.95				
Deferred tax liabilities						
- On account of fair value gains of mutual funds	8.27	233.02				
- On account of property, plant and equipment	77.95	71.79				
Sub total (B)	86.22	304.81				
Deferred tax asset/(liability), net (A-B)	609.71	158.14				
Movement in deferred tax assets/ (liabilities)						
On account of	Property, plant and equipment including decommissioning liability	Provision for employee benefits	Leases	Fair value of Mutual Funds	Others	Total
As at April 01, 2019	(33.79)	56.36	-	(221.22)	138.00	(60.65)
(Charged)/ credited:						
- to profit and loss	75.82	20.42	179.56	(11.81)	(49.56)	214.43
- to OCI	-	4.35	-	-	-	4.35
As at March 31, 2020	42.03	81.13	179.56	(233.03)	88.44	158.13
(Charged)/credited:						
- to profit and loss	18.63	2.94	212.86	224.76	(6.44)	452.75
- to OCI	-	(1.17)	-	-	-	(1.17)
As at March 31, 2021	60.66	82.90	392.42	(8.27)	82.00	609.71
8 Inventories (Valued at lower of cost and net realisable value)						
Reagents, chemicals, digital imaging films and consumables					264.43	277.32
					264.43	277.32
9 Other assets (Unsecured, considered good)						
Non-current						
Capital advances					347.60	411.12
Advances other than capital advances					-	25.85
Prepaid expenses (refer note 4(b))					263.31	229.19
					610.91	666.16
Current						
Advances other than capital advances						
- Advance to suppliers					49.82	83.65
- Advance to employees					7.63	13.07
Prepaid expenses					209.71	120.59
					267.16	217.31



Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2020	As at March 31, 2020
10 Equity		
Authorised share capital		
120,050,000 equity shares of Re. 1 each (March 31, 2020: 12,050,000 equity shares of Rs. 10 each)	1,205.00	1,205.00

Equity share capital		
(a) Issued, subscribed and fully paid up capital		
45,318,190 equity shares of Re. 1 each (March 31, 2020: 4,531,819 equity shares of Rs. 10 each), fully paid-up	453.19	453.19
	453.19	453.19

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

	March 31, 2021		March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	45,31,819	453.19	45,28,813	452.89
Shares issued during the year	-	-	3,006	0.30
Increase in shares on account of subdivision (refer note vi)	4,07,86,371	-	-	-
Shares outstanding at the end of the year	4,53,18,190	453.19	45,31,819	453.19

ii) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 1 per share (March 31, 2020: Rs. 10 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

	March 31, 2021		March 31, 2020	
	Number of shares	% holding	Number of shares	% holding
Dr. S Surendranath Reddy	2,68,16,030	59.17%	26,81,603	59.17%
M/s. Karakoram Limited	1,74,73,950	38.56%	17,47,395	38.56%

As per records the Company including registration of shareholders/ members, the above share holding represents both legal and beneficial ownership of shares.

(iv) During the five years immediately preceding the reporting date, no shares have been bought back, issued for consideration other than cash except for conversion of Preference shares into Equity shares (Refer note 10(b)) and no bonus shares have been issued.

v) For details of shares reserved for issue under Employee Stock Option Plan (ESOP) of the Company, refer Note 29.

vi) Subdivision of equity shares

(i) On March 22, 2021 the equity shares of the Company having the face value of Rs. 10 (Rupees ten only) each were subdivided into 10 (ten) equity shares having a face value of Re. 1 (Rupee one only) each. Accordingly, 4,531,819 equity shares of face value of Rs. 10 each were sub divided into 45,318,190 equity shares of face value of Re. 1 each.

(ii) The earnings per share in respect of current and previous years has been restated considering the aforesaid sub division of shares.

vii) Also, refer note 37 for issue of bonus shares made subsequent to 31 March 2021

(b) Instruments entirely equity in nature

	As at March 31, 2021	As at March 31, 2020
Preference shares		
Series A Cumulative Compulsorily Convertible Preference Shares (CCPS)	-	-
Series B Cumulative Compulsorily Convertible Preference Shares (CCPS)	-	-
Total preference shares	-	-

i) Reconciliation of preference shares outstanding at the beginning and at the end of the reporting year:

	March 31, 2021		March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Series A CCPS				
Shares outstanding at the beginning of the year	-	-	14,13,071	141.31
Shares issued/(converted) during the year	-	-	(14,13,071)	(141.31)
Shares outstanding at the end of the year	-	-	-	-
Series B CCPS				
Shares outstanding at the beginning of the year	-	-	3,005	99.99
Shares issued/(converted) during the year	-	-	(3,005)	(99.99)
Shares outstanding at the end of the year	-	-	-	-



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10 Equity (continued)

(b) Instruments entirely equity in nature (continued)

ii) Terms and rights attached to Compulsorily convertible preference shares:

Series A Cumulative Compulsorily Convertible Preference Shares (CCPS)

Series A Preference Shares are cumulative, mandatorily and fully convertible preference shares of Rs. 10 each with 0.001% coupon. Series A preference shares shall be participating preference shares and shall be entitled to participate in any dividend distribution to holders of equity shares on a fully diluted basis. These shares are convertible into equity shares on or before a specified date agreed between the shareholders and till the time these shares are converted, all of Series A preference shares collectively entitled for one vote. These Series A preference shares were converted into one equity shares in the previous year.

Series B Cumulative Compulsorily Convertible Preference Shares (CCPS)

Series B Preference Shares are cumulative, mandatorily and fully convertible preference shares of Rs. 3,327.61 each with 0.001% coupon. Series B preference shares shall be participating preference shares and shall be entitled to participate in any dividend distribution to holders of equity shares on a fully diluted basis. These shares are convertible into equity shares on the occurrence of the earlier of (i) prior to filing a red herring prospectus in connection with initial public offering (ii) at the option of the preference shareholder (iii) expiry of 10 years from the date of issuance. Till the time the aforesaid CCPS are not converted, all of Series B preference Shares shall be entitled to voting rights on a pro-rata basis with the Equity Shares of the Company on a fully diluted basis. These Series B preference shares were converted in the ratio 1:1 into equity shares in the previous year.

The issue proceeds of Series A CCPS and Series B CCPS have been entirely classified under equity as they are settled with fixed number of entity's own equity instruments and meets the definition of "Equity Instruments" as defined in "Ind AS 32, Financial Instruments: Presentation".

iii) Details of shareholders holding more than 5% preference shares in the Company

	March 31, 2021		March 31, 2020	
	Number of shares	% holding	Number of shares	% holding
CCPS Series A				
Dr. S Surendranath Reddy	-	0%	-	0%
CCPS Series B				
M/s. Karakoram Limited	-	0%	-	0%

iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Allotted as fully paid up Series A CCPS by way of bonus	Nil	Nil	Nil	Nil	14,13,071
Allotted as fully paid up Series B CCPS by way of bonus	Nil	Nil	Nil	Nil	Nil

(c) Other equity

	As at March 31, 2021	As at March 31, 2020
General reserve	493.20	493.20
Employee share options outstanding	82.73	63.18
Securities premium	5,156.75	5,156.75
Retained earnings	29,714.77	21,266.46
	35,447.45	26,979.59

i) General reserve

	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	493.20	493.20
Less: Movement during the year	-	-
Balance as at the end of the year	493.20	493.20

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) Employee share options outstanding

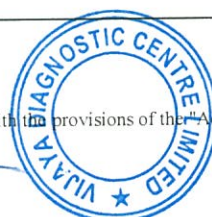
	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	63.18	22.20
Add: Share options expense for the period	19.55	40.98
Balance as at the end of the year	82.73	63.18

The Company has established equity settled share based payment plan for employees of the Company. [refer note 29 for details]

iii) Securities premium

	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	5,156.75	4,915.75
Add: Movement during the year due to conversion of preference shares	-	241.00
Balance as at the end of the year	5,156.75	5,156.75

Securities premium is used to record the premium on issue of shares. It is utilised in accordance with the provisions 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, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

10 Equity (continued)

(c) Other equity (continued)

iv) Retained earnings

	As at March 31, 2021	As at March 31, 2020
Balance at the commencement of the year	21,266.46	14,998.83
Add: Profit for the year	8,447.82	6,280.72
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurement of defined benefit plans, net of tax	0.49	(13.09)
Amount available for appropriations	29,714.77	21,266.46
Less: Appropriations	-	-
Balance as at the end of the year	29,714.77	21,266.46

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.

Total Other equity (i+ii+iii+iv)	35,447.45	26,979.59
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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2021	As at March 31, 2020
11 Financial liabilities		
(a) Borrowings		
Non-Current		
Secured loans		
Term loans		
- from banks	-	2,195.82
- from others	-	630.19
Unsecured loans		
Loan from directors	327.45	327.45
	327.45	3,153.46
Less: Current maturities of long-term borrowings	-	940.16
	327.45	2,213.30
Note:		
i. Terms of secured loans from banks:		
Term loans from banks are repayable in 36 - 84 equated monthly instalments and carry an interest rate of 8.50% - 10.50% per annum. These loans are secured by exclusive charge on plant and machinery-medical purchased out of the respective loans. Further, the loans from banks to the extent of Rs. Nil lakhs (March 31, 2020: 538.27 lakhs) is secured by personal guarantee of directors and loans taken by subsidiaries amounting to Rs. Nil lakhs (March 31, 2020: Rs. 36.01 lakhs) is further secured by corporate guarantee given by the Parent Company. These loans have been repaid during the year ended March 31, 2021.		
ii. Terms of secured loans from others:		
Term loans from others are repayable in 36 - 72 equated monthly instalments and carries an interest rate of 7.40% - 9.40% per annum. These loans are secured by exclusive charge on plant and machinery-medical purchased out of the respective loans. These loans have been repaid during the year ended March 31, 2021.		
iii. Terms of unsecured loan from directors		
Loan from Directors is repayable in 3 to 5 years and carries an interest rate of 8% per annum. The loan is unsecured.		
Current		
Secured		
Overdraft from bank	119.69	130.45
	119.69	130.45
Note:		
Borrowing represents overdraft facility taken by the subsidiary. The said overdraft facility is secured with underlying Fixed Deposit given by partner in the subsidiary. The loan carries an interest rate 10% - 11% per annum.		
(b) Trade payables		
Total outstanding dues of micro and small enterprises (refer note 24)	26.83	3.29
Total outstanding dues of creditors other than micro and small enterprises	2,189.36	2,166.16
	2,216.19	2,169.45
(c) Other financial liabilities		
Non-current		
Deferred credit - medical equipment	21.79	87.45
	21.79	87.45
(d) Current		
Current maturities of long-term borrowings	-	940.16
Interest accrued but not due on borrowings *	145.69	132.53
Employee payables	315.76	771.54
Deferred credit - medical equipment	83.05	143.98
Capital creditors	68.07	248.85
	612.57	2,237.06

* Includes interest payable to related parties. Refer Note 30



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	As at March 31, 2021	As at March 31, 2020
12 Provisions		
Non-current		
Provision for employee benefits:		
- Gratuity	195.97	190.08
- Compensated absences	108.89	107.30
Others:		
- Decommissioning liability ^	465.32	376.65
	770.18	674.03
Current		
Provision for employee benefits:		
- Gratuity	52.19	44.09
- Compensated absences	21.38	27.11
Others:		
- Disputed customs duty matters *	-	32.52
	73.57	103.72

Note:

i. Movement in provision for others:

	Decommissioning liability ^	Customs duty*
Carrying amount as at April 01, 2019	346.49	32.52
Add: Unwinding of interest expense	34.43	-
Add: Provision created during the year	16.21	-
Less: Provision reversed during the year	(20.48)	-
Balance as at March 31, 2020	376.65	32.52
Carrying amount as at April 01, 2020	376.65	32.52
Add: Unwinding of interest expense	37.65	-
Add: Provision created during the year	51.02	-
Less: Provision reversed during the year	-	(32.52)
Balance as at March 31, 2021	465.32	-

^ Decommissioning liability pertains to the cost of dismantling the assets from the leased premises. The liability is determined by the management based on the present value of the estimated future cash outflows of dismantling the assets.

* Provision of Rs 32.52 lakhs has been made in earlier years towards disputed customs duty matters. The Company during the current year has written back the provision made, as the Company is not intending to redeem the goods held with Customs authority.

13 Other liabilities

Non-current

Deferred revenue	5.30	11.76
	5.30	11.76

Current

Deferred revenue	15.69	15.69
Statutory liabilities	188.82	185.32
	204.51	201.01

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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
14 Revenue from operations		
Sale of services	37,645.42	33,867.93
Other operating revenue		
- Sale of scrap	25.79	10.90
- Miscellaneous Income	3.36	3.26
	37,674.57	33,882.09
15 Other income		
Interest income on bank deposits and others	920.91	392.81
Interest income on other financial assets measured at amortised cost	38.66	33.50
Profit on sale of mutual fund investments	15.68	490.21
Fair value gain on financial assets (mutual funds) measured at FVTPL	32.87	168.10
Net gain on sale/ retirement of property, plant and equipment	15.63	149.13
Profit on slump sale (net of acquisition goodwill of Rs. Nil (March 31, 2020: Rs 154.24 lakhs)	-	182.15
Liabilities no longer required written back	154.36	73.53
Insurance claim received	-	28.42
Other non operating income	6.53	18.29
	1,184.64	1,536.14
16 Cost of materials consumed		
Inventory of materials as at the beginning of the year	277.33	217.83
Add: Purchases during the year	5,696.55	4,453.39
Less: Inventories of materials as at the end of the year	(264.43)	(277.32)
Less: Transfer on account of slump sale	-	(3.32)
	5,709.45	4,390.58
17 Employee benefits expense		
Salaries, wages and bonus	5,137.36	5,713.09
Contribution to provident and other funds	299.25	271.42
Gratuity [refer note 28]	103.38	89.27
Compensated absences	24.93	57.86
Share based payments - equity settled [refer note 29]	19.55	40.98
Staff welfare expenses	158.86	67.39
	5,743.33	6,240.01
18 Depreciation and amortisation expense		
Depreciation on property, plant and equipment [refer note 4(a)]	3,356.67	3,414.86
Amortisation on other intangible assets [refer note 5]	46.37	62.62
Depreciation on right of use assets [refer note 4(b)]	1,642.10	1,439.46
	5,045.14	4,916.94
19 Finance costs		
Interest on borrowings measured at amortised cost	156.68	340.66
Interest expense on deferred credit purchases and decommissioning liability	52.87	59.51
Interest expense on lease liabilities (refer note 4(b))	1,141.30	992.45
Bank charges and other borrowing costs	173.75	145.81
	1,524.60	1,538.43

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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)
Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)
(All amounts in Indian Rupees in lakhs, except for share data or as otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
20 Other expenses		
Power and fuel	1,019.20	1,071.93
Rent	66.22	147.78
Testing charges	461.79	88.96
Sample collection charges	320.28	198.61
Repairs and maintenance		
- Buildings	150.27	202.92
- Plant and equipments	712.41	767.57
- Others	161.27	181.27
House keeping expenses	471.91	510.15
Security charges	375.81	342.65
Insurance	51.92	28.76
Rates and taxes	70.72	52.86
Advertisement, publicity and marketing	138.07	324.69
Business promotion	176.41	207.93
Travelling and conveyance	138.93	197.74
Legal and professional fees	4,620.14	5,070.25
Payment to auditors [refer note (i) below]	41.74	30.90
Postage and communication	145.10	137.85
Printing and stationery	71.55	80.98
Provision for doubtful receivables	33.88	46.08
Bad debts written off	33.16	5.65
Advances written-off	25.85	8.62
Corporate social responsibility expenditure [refer note (ii) below]	197.71	144.69
Donations	0.75	1.50
Miscellaneous expenses	139.21	139.21
	9,624.30	9,989.55

Notes:

i. Payment to auditors (inclusive of taxes)

As auditors

- Statutory audit fees

For reimbursement of expenses

	37.76	29.50
	3.98	1.40
	41.74	30.90

ii. Details of Corporate social responsibility expenditure

(i) Gross amount required to be spent by the Group during the year

(ii) Amount approved by the Board to be spent during the year

(ii) Amount spent during the year (in cash)

- construction/ acquisition of any asset

- on purpose other than above

	138.38	122.02
	138.38	122.02
	-	-
	197.71	144.69

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	Year ended March 31, 2021	Year ended March 31, 2020
21 Income-tax expense		
(a) Amount recognised in statement of profit and loss		
Current tax	3,174.49	2,306.36
Deferred tax attributable to temporary differences	(453.17)	(214.42)
Tax pertaining to earlier years	(21.58)	(26.83)
Tax expense	2,699.74	2,065.11
(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	1.17	(4.35)
Income-tax expense/(income) recognised in OCI	1.17	(4.35)
(c) Reconciliation of effective tax rate:		
Profit before tax	11,212.39	8,342.72
Enacted tax rate in India*	25.17%	25.17%
Tax expense at enacted rates	2,821.93	2,099.70
Tax effect of:		
Non-deductible expenses	24.59	11.25
Unrecognised deferred taxes	5.28	46.42
Tax exempt income	-	-
Others	(130.48)	(65.43)
	2,721.32	2,091.94
Tax pertaining to earlier years	(21.58)	(26.83)
Income-tax recognised in the statement of profit and loss	2,699.74	2,065.11

* The Taxation Laws (Amendment) Ordinance, 2019 ('Ordinance') was promulgated on September 20, 2019. The Ordinance has amended the Income Tax Act, 1961 and Finance Act, 2019 to inter-alia provide an option to domestic companies to pay income tax at a reduced tax of 22 percent plus applicable surcharge and cess with certain conditions to be met. The Group has opted for this amendment and tax rate is calculated at 22% plus applicable surcharge and cess.

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

	As at March 31, 2021	As at March 31, 2020
Income-tax assets, (net)	56.99	69.70
Current tax liabilities, (net)	(162.40)	(144.73)
	(105.41)	(75.03)
	Year ended March 31, 2021	Year ended March 31, 2020
Net income-tax liability at the beginning of the year	(75.03)	(75.03)
Less: Current income tax expense	(3,174.49)	(2,306.36)
Less: Tax pertaining to earlier years	21.58	26.83
Add: Tax paid during the year	3,122.53	2,279.53
Net income tax liability as at the end of the year	(105.41)	(75.03)

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

Contingent liabilities

Claims against the Group not acknowledged as debts:

	As at March 31, 2021	As at March 31, 2020
Demand for Provident Fund for the year 1998-2001 [refer note (i) below]	5.61	5.61

Notes:

i. Provident fund matter relates to the years 1998-2001 towards interest and provident fund.

The Group based on its legal assessment do not believe that any of the pending claims 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

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

	As at March 31, 2021	As at March 31, 2020
	732.34	1,348.65

23 Earnings per share

Earnings for the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
Net profit for the year (A)	8,447.82	6,280.72

Shares

Original number of equity shares (post share split)	4,53,18,190	4,53,18,190
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Add: Impact of bonus issue effected after March 31, 2021 (Refer Note 37)	5,66,47,736	5,66,47,736
--	-------------	-------------

Weighted average number of equity shares for Basic EPS (B)	10,19,65,926	10,19,65,926
--	--------------	--------------

Add: Effect of dilution:

- On account of Compulsory Convertible Preference Shares (Series A and Series B)	-	-
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- On account of Outstanding employee share based options	17,139	19,463
--	--------	--------

- Impact of bonus issue effected after March 31, 2021 (Refer Note 37)	21,424	24,329
---	--------	--------

Weighted average number of equity shares for Diluted EPS (C)	10,20,04,489	10,20,09,718
--	--------------	--------------

(a) Basic earnings per share of face value of Re. 1 each (A/B)	8.28	6.16
--	------	------

(b) Diluted earnings per share of face value of Re. 1 each (A/C)	8.28	6.16
--	------	------

24 Dues to micro and small enterprises

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	March 31, 2021	March 31, 2020
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
- Principal	26.83	3.29
- 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.



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25 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 CEO 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. 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.

26 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.

- 27 In February 2019, the Honorable Supreme Court of India vide its judgement, clarified the definition and scope of 'Basic Wages' under the Employees' Provident Funds & Miscellaneous Provision Act, 1952. The judgement is silent on the retrospective application and in the absence of any guidelines by the regulatory authorities and considering the practical difficulties, no effect is given for the earlier periods as the same is currently not determinable.



28 Employee benefit plans

The Group has following post employment benefit plans:

(a) Defined contribution plans

Contributions were made to provident fund and Employee 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. 299.25 lakhs (March 31, 2020: Rs. 271.42 lakhs)

(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 lakhs.

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.

This 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:

	March 31, 2021			March 31, 2020		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	381.45	147.28	234.17	319.96	164.75	155.21
Current service cost	88.93	-	88.93	78.57	-	78.57
Interest expense/ (income)	23.74	(9.29)	14.45	22.68	(11.98)	10.70
Recognised in statement of profit or loss	112.67	(9.29)	103.38	101.25	(11.98)	89.27
Remeasurements						
Return on plan assets, excluding amounts included in interest expense	-	2.40	2.40	-	4.29	4.29
Actuarial (gains)/ losses arising from:	-	-	-	-	-	-
- Changes in demographic assumptions	-	-	-	0.04	-	0.04
- Changes in financial assumptions	4.10	-	4.10	23.09	-	23.09
- Experience variance (i.e. actual experience vs assumptions)	(6.34)	-	(6.34)	(9.88)	-	(9.88)
Re-measurements recognised in other comprehensive income	(2.24)	2.40	0.16	13.25	4.29	17.54
Contribution paid to the plan	-	81.84	(81.84)	-	3.26	(3.26)
Benefits paid	(38.75)	(31.04)	(7.71)	(53.01)	(28.42)	(24.59)
Closing balance	453.13	204.97	248.16	381.45	147.28	234.17

ii. Plan assets

Plan assets comprises of the following:

Funds managed by Life Insurance Corporation of India

March 31, 2021	March 31, 2020
100%	100%

iii. Actuarial assumptions

Principal actuarial assumptions for defined benefit obligation are as follows:

	March 31, 2021	March 31, 2020
Discount rate	6.15%	6.30%
Salary escalation rate	6.00% to 8.00%	6.00% to 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.



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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:

	Impact on defined benefit obligation							
	Change in assumption		Increase in assumption				Decrease in assumption	
	March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020
Discount rate	1.00%	1.00%	Decrease by	27.83	23.67	Increase by	31.19	26.56
Salary escalation rate	1.00%	1.00%	Increase by	30.34	25.86	Decrease by	27.64	23.55
Attrition rate	50.00%	50.00%	Decrease by	27.31	23.86	Increase by	43.90	37.87

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, 2022 is Rs. 52.20 lakhs (March 31, 2021 is Rs. 45.00 lakhs)

vi. Maturity profile of the defined benefit liability

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2020: 7 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, 2021	52.20	217.86	203.42	250.56
March 31, 2020	44.08	185.75	169.11	221.77

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29 Share based payments**VDCPL 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 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 aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

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.

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 and performance based options under Scheme 6 become eligible and vest on an annual basis at 18%, 25%, 33% and 24% over a period of four years. 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.

The Group accordingly, granted 933,808 options under four grants of 463,750 options, 9,000 options, 75,780 options and 385,278 options to eligible employees on May 10, 2018, October 31, 2018, April 01, 2019 and March 25, 2021 respectively, under ESOP 2018 - Scheme 1, Scheme 2, Scheme 3, Scheme 4, Scheme 5 and Scheme 6. The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

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. 19.55 lakhs (March 31, 2020: Rs. 40.98 lakhs).

Also, refer note 37 for issue of bonus shares made subsequent to 31 March 2021

(A) Details of options granted under ESOP 2018* 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	10-May-18	4,63,750	1,29,450	220.00	222.10
2nd Grant	31-Oct-18	9,000	9,000	233.90	233.90
3rd Grant	01-Apr-19	75,780	20,780	236.90	236.90
4th Grant	25-Mar-21	3,85,278	3,85,278	250.00	250.00

* The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

(B) The movement of stock options during the year (in No's) :

	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	2,14,230	1,38,450
Granted during the year	3,85,278	75,780
Vested/exercisable during the year	-	-
Forfeited during the year	55,000	-
Exercised during the year	-	-
Balance at the end of the year	5,44,508	2,14,230

(C) Disclosures as per IND AS 102 for outstanding options * :

	Year ended March 31, 2021	Year ended March 31, 2020
Weighted average exercise price for outstanding options at year end (in INR)	241.89	226.56
Weighted average remaining contractual life for outstanding options at year end	9.19 years	8.45 years
Range of exercise prices for outstanding options at year end (in INR)	220.00 - 250.00	220.00 - 236.90

* The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).

(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
10-May-18	0%	7.95%	5.5 Years to 7 Years	21.32%
31-Oct-18	0%	7.84%	5.5 Years to 7 Years	24.95%
01-Apr-19	0%	7.15%	5.5 Years to 7 Years	29.52%
25-Mar-21	0%	6.12%	5.5 Years to 7 Years	43.78%

* The aforementioned shares are post subdivision of equity shares (refer note 10(a)(vi)).



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)

(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
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 (Chief Executive Officer) K Sunil Chandra (Executive Director) S Geetha Reddy (Additional Director) Vijay Gupta (Company Secretary upto 03 Jun 2019) V Sri Lakshmi (Company Secretary w.e.f 18 Jul 2019) Sandhya Rani.S (Chief Financial Officer upto 18 April 2021) Narasimha Raju K.A (Chief Financial Officer w.e.f 27 May 2021)
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 Vaishnavi Diagnostic Private Limited S Square Properties LLP Park Health Systems Private Limited IFFCO Kisan Sez Limited
Relative of KMP	B Vishnu Priya (Wife of K Sunil Chandra) C Damodar Reddy (Husband of S Suprita Reddy) C Rhea Reddy (Daughter of S Suprita Reddy) C Arjun Reddy (Son of S Suprita Reddy) S Suhas Reddy (Son of K Sunil Chandra) S Sushmita Reddy (Daughter of K Sunil Chandra)
Controlled Trust	Vijaya Diagnostic Charitable Trust

(b) Details of transactions during the year

	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent paid		
Dr. S Surendranath Reddy	362.70	383.58
K Sunil Chandra	72.21	76.15
S Suprita Reddy	40.79	43.31
S Geetha Reddy	227.75	241.56
B Vishnu Priya	1.49	1.63
Vijaya Hospitals Private Limited	89.45	97.77
Rental deposits given, net *		
Dr. S Surendranath Reddy	-	15.10
S Suprita Reddy	8.24	3.47
K Sunil Chandra	8.24	-
S Geetha Reddy	42.36	-
Purchase of consumables		
Park Health Systems Private Limited	1.00	-
Sale of services		
Park Health Systems Private Limited	65.41	55.44



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Vijaya Diagnostic Centre Limited (formerly known as Vijaya Diagnostic Centre Private Limited)

Notes to the Consolidated Financial Statements for the year ended March 31, 2021 (continued)

(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)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense		
Dr. S Surendranath Reddy	22.80	22.80
K Sunil Chandra	3.40	3.40
Remuneration to KMP and their relatives		
Dr. S Surendranath Reddy	165.00	180.00
K Sunil Chandra	55.00	60.00
S Suprita Reddy	137.50	150.00
Sri Lakshmi.V	8.53	6.22
Vijay Gupta	-	1.28
Sandhya Rani.S	86.48	90.80

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

	As at March 31, 2020	As at March 31, 2020
Rent payable		
Dr. S Surendranath Reddy	-	(22.53)
S Suprita Reddy	-	(2.54)
K Sunil Chandra	-	(3.97)
Vijaya Hospitals Private Limited	-	(5.71)
S Geetha Reddy	-	(14.20)
B Vishnu Priya	-	(0.10)
Rental deposits *		
Vijaya Hospitals Pvt. Ltd.	34.95	34.95
Dr. S Surendranath Reddy	114.14	114.14
S Suprita Reddy	25.59	17.35
K Sunil Chandra	33.00	24.76
S Geetha Reddy	117.61	71.77
B Vishnu Priya	0.72	0.72
Trade receivables		
Park Health Systems Private Limited	6.61	10.19
Loans outstanding		
Dr. S Surendranath Reddy	(285.00)	(285.00)
K Sunil Chandra	(42.45)	(42.45)
Interest payable		
Dr. S Surendranath Reddy	(131.81)	(110.72)
K Sunil Chandra	(13.87)	(10.74)
Remuneration payable to KMP		
Dr. S Surendranath Reddy	-	(9.82)
K Sunil Chandra	-	(3.48)
S Suprita Reddy	-	(8.12)
Sri Lakshmi.V	-	(0.71)
Vijay Gupta	-	-
Sandhya Rani.S	-	(14.80)

* The amount represents the gross amount given as security deposits given to the related parties.

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.)



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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.

	March 31, 2021	March 31, 2020
Total debt	447.14	3,283.91
Total equity	35,923.26	27,392.39
Debt equity ratio	0.01	0.12

The Group's bank balances are at Rs. 20,010.98 lakhs which are significantly higher than the debt outstanding of Rs 447.14 lakhs. Nominal debt is being maintained to establish credit history for any future requirements.

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, 2021		March 31, 2020		Fair value level
		Amortised Cost	Fair value	Amortised Cost	Fair value	
Financial assets						
Investments						
- in mutual funds - FVTPL	6 (a)	-	2,762.73	-	5,467.32	Level 1
- in equity instruments - FVOCI	6 (a)	-	4.00	-	4.00	Level 3
Trade receivables	6 (b)	640.73	-	799.66	-	
Loans	6 (c)	649.08	-	544.24	-	
Cash and cash equivalents	6 (d)	668.56	-	5,556.81	-	
Other bank balances	6 (e)	18,755.50	-	6,262.30	-	
Other financial assets	6 (f)	1,092.02	-	58.47	-	
Total financial assets		21,805.89	2,766.73	13,221.48	5,471.32	
Financial liabilities						
Borrowings	11 (a) and 11 (c)	447.14	-	3,283.91	-	
Lease liabilities	4 (b)	13,657.46	-	12,838.62	-	
Trade payables	11 (b)	2,216.19	-	2,169.45	-	
Other financial liabilities	11 (c)	634.36	-	1,384.35	-	
Total financial liabilities		16,955.15	-	19,676.33	-	

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) in 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 Revenue multiple investments in financial assets	Long term growth rate Discount rate

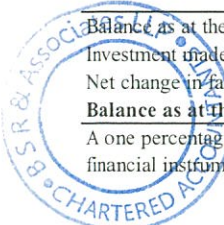
ii. Transfer between Level 1 and 2

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

	FVOCI Equity securities	
	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	4.00	4.00
Investment made	-	-
Net change in fair value (Unrealised)	-	-
Balance as at the end of the year	4.00	4.00

A one percentage change in the unobservable inputs used in the fair valuation of level 3 assets does not have a significant impact in the fair value of the financial instrument.



32 Financial instruments - fair valuation and risk management (continued)

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 Working capital management by Senior Management. overview of 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.

	Less than 180 days	More than 180 days	Provision	Total
March 31, 2021	625.46	168.51	(153.24)	640.73
March 31, 2020	527.90	437.12	(165.36)	799.66

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	165.36	March 31, 2021	March 31, 2020
Add: Allowance measured at lifetime expected credit loss	33.88		46.08
Less: Amounts written off	46.00		61.59
Balance at the end of the year	153.24		165.36

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 funds are invested as per "Investment Policy" approved by the Board of Directors and are made only in debt funds with rating of AAA+ and with no exposure of more than 20% to a single fund house.

The security deposit pertains to rent deposit given to lessors. The Company does not expect any losses from non-performance by these counter-parties




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 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, 2021

	Carrying amount	Total	Contractual cash flows			
			Less than 1 year	1-2 years	2-5 years	More than 5 years
Borrowings (including current maturities of long-term borrowings)						
Lease liabilities	447.14	447.14	119.69	327.45	-	-
Trade payables	13,657.46	21,043.38	2,143.19	2,217.30	6,590.95	10,091.94
Deferred payment liabilities - on purchase of medical equipments	2,216.19	2,216.19	2,216.19	-	-	-
Capital creditors	104.84	111.27	86.96	24.31	-	-
Other financial liabilities	68.07	68.07	68.07	-	-	-
	461.45	461.45	461.45	-	-	-
	16,955.15	24,347.50	5,095.55	2,569.06	6,590.95	10,091.94

March 31, 2020

	Carrying amount	Total	Contractual cash flows			
			Less than 1 year	1-2 years	2-5 years	More than 5 years
Borrowings (including current maturities of long-term borrowings)						
Lease liabilities	3,283.91	3,283.91	1,070.61	922.59	1,290.71	-
Trade payables	12,838.62	19,877.63	1,944.58	1,974.12	6,163.40	9,795.54
Deferred payment liabilities - on purchase of medical equipments	2,169.45	2,169.45	2,169.45	-	-	-
Capital creditors	231.43	253.03	151.69	77.03	24.31	-
Other financial liabilities	248.85	248.85	248.85	-	-	-
	904.07	904.07	904.07	-	-	-
	19,676.33	26,736.94	6,489.25	2,973.73	7,478.42	9,795.54

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.



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C. Financial risk management (continued)

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 Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in Market interests rate. The Group's main interest rate risk arises from short-term borrowings with variable rates, which exposes the Group to cash flow interest rate risk. The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at	
	March 31, 2021	March 31, 2020
Overdraft from bank	119.69	130.45

Particulars	Impact on profit and loss	
	March 31, 2021	March 31, 2020
1% increase in interest rate	(1.20)	(1.30)
1% decrease in interest rate	1.20	1.30

The interest rate sensitivity is based on the closing balance of loans from banks.

34 During the year ended March 31, 2020, VDC Diagnostics (Karnataka) LLP, subsidiary sold its business of Bangalore diagnostic centre under slump sale arrangement with effect from November 30, 2019 for a consideration of Rs. 620.30 lakhs received in the form of cash & cash equivalents. All the assets and liabilities pertaining to this Bangalore diagnostic centre were transferred to buyer pursuant to slump sale arrangement. The profit on slump sale (net of acquisition of goodwill of Rs. 154.20 lakhs) was Rs. 182.2 lakhs



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

A. Contract balances

	As at March 31, 2021	As at March 31, 2020
Contract assets		
- Unbilled revenue	-	-
- Trade receivables	793.97	965.02
Contract liabilities		
- Advances from customers	-	-
- Contract liability- deferred revenue	20.99	27.45

B. Movement in contract liabilities during the year

	As at March 31, 2021	As at March 31, 2020
Deferred Revenue		
Balance at the beginning of the year	27.50	30.50
Less: Revenue recognised from above	(15.69)	(16.82)
Add: Addition during the year	9.18	13.77
Balance at the end of the year	20.99	27.45

C. Reconciliation of Revenue from contract with customers

	As at March 31, 2021	As at March 31, 2020
Revenue from contract with customer as per the contract price		
Adjustments made to contract price on account of :-	38,619.08	34,995.71
Discount / Rebates	(973.66)	-1127.78
Revenue from contract with customer	37,645.42	33,867.93
Other operating revenue	29.15	14.16
Revenue from operations	37,674.57	33,882.09

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35 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, 2021					
		Net assets, i.e., total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income / (loss)	
		Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated net assets
Parent	Vijaya Diagnostics Centre Limited	36,054.90	100.37%	8,282.15	97.29%	3.49	-262.19%
	Subsidiaries (including step down subsidiaries)						
1	Medinova Diagnostic Services Limited	(555.82)	-1.55%	216.57	2.54%	(4.82)	362.41%
2	VDC Diagnostic (Karnataka) LLP	395.41	1.10%	20.98	0.25%	-	0.00%
3	Doctors Lab Diagnostic Centre Private Limited	115.14	0.32%	45.82	0.54%	-	0.00%
4	Medinova Millemium MRI Services LLP	(67.84)	-0.19%	(26.11)	-0.31%	-	0.00%
5	Namrata Diagnostic Centre Private Limited	(123.69)	-0.34%	(26.73)	-0.31%	-	0.00%
	Non-controlling interest in all subsidiaries	22.62	0.06%	64.83	0.76%	(1.82)	136.84%
Total		35,840.72	99.77%	8,577.52	100.76%	(3.15)	237.06%
	Consolidation adjustments	82.54	0.23%	(64.87)	-0.76%	1.82	-137.06%
Net amount		35,923.26	100.00%	8,512.65	100.00%	(1.33)	100.00%
S No	Name of Company	March 31, 2020					
		Net assets, i.e., total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income / (loss)	
		Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated net assets
Parent	Vijaya Diagnostics Centre Limited	27,749.73	101.30%	6,123.80	97.55%	(12.92)	97.95%
	Subsidiaries (including step down subsidiaries)						
1	Medinova Diagnostic Services Limited	(767.58)	-2.80%	(29.57)	-0.47%	(0.27)	2.02%
2	VDC Diagnostic (Karnataka) LLP	374.43	1.37%	184.43	2.94%	-	0.00%
3	Doctors Lab Diagnostic Centre Private Limited	69.32	0.25%	147.85	2.36%	-	0.00%
4	Medinova Millemium MRI Services LLP	(41.74)	-0.15%	6.77	0.11%	-	0.00%
5	Namrata Diagnostic Centre Private Limited	(96.96)	-0.35%	(1.43)	-0.02%	-	0.00%
	Non-controlling interest in all subsidiaries	(40.39)	-0.15%	(3.11)	-0.05%	(0.10)	0.76%
Total		27,246.80	99.47%	6,428.75	102.41%	(13.29)	100.73%
	Consolidation adjustments	145.59	0.53%	(151.14)	-2.41%	0.10	-0.73%
Net amount		27,392.39	100.00%	6,277.61	100.00%	(13.19)	100.00%

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.

36 Global Health Pandemic

During the year ended 31 March 2021 and 31 March 2020, the outbreak of COVID-19 in many countries has brought about disruptions to businesses around the world and uncertainty to the global economy. The Group is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its employees, vendors and business partners. The Group based on the information available to date, both internal and external, considered the uncertainty relating to the COVID-19 pandemic in assessing its impact on the financial statements. Based on the current estimates, the Group expects to fully recover the carrying amount of assets and does not foresee any material adverse impact on its operations. As the outbreak continues to evolve, the Group will continue to closely monitor any material changes to future economic condition.



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37 Subsequent event : Bonus issue of equity shares

Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 26 May 2021, the Company issued and allotted fully paid-up "bonus shares" on 27 May 2021 at par in proportion of five new equity shares of Re. 1 each for every four existing fully paid up equity shares of Re. 1 each held as on the record date of 26 May 2021 by utilizing securities premium account. The employee stock options granted under ESOP 2018 plan and the corresponding exercise prices will be adjusted to give effect of the allotment of bonus shares. The basic/diluted earnings per share in respect of current and previous years has been adjusted for issue of these bonus shares subsequent to 31 March 2021 in accordance with Ind AS 33.

38 Comparative figures

The Comparative figures for the previous year have been re-arranged to conform with the current year presentation of the accounts.

As per our Report of even date attached

for BSR & Associates LLP

Chartered Accountants

ICAI Firm registration number: 116231W/ W-100024



Sriram Mahalingam

Partner

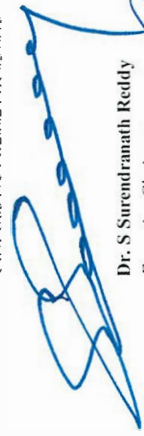
Membership Number: 049642

for and on behalf of the Board of Directors

Vijaya Diagnostic Centre Limited

(formerly known as Vijaya Diagnostic Centre Private Limited)

CIN: U851G2002PLC039075



Dr. S Surendranath Reddy

Executive Chairman

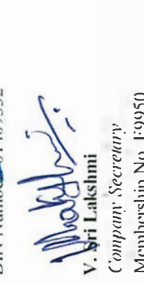
DIN Number: 00108599



K. Sunil Chandra

Executive Director

DIN Number: 01409332



V. Sri Lakshmi

Company Secretary

Membership No. F9950

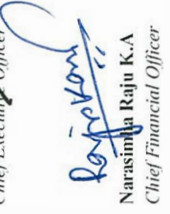
Place: Palakkad

Date: May 27, 2021




S Suprita Reddy

Chief Executive Officer



Narasimha Raju K.A

Chief Financial Officer

Place: Hyderabad

Date: May 27, 2021