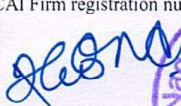
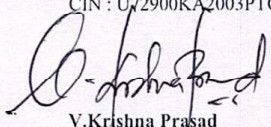
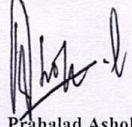


<b>PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED</b> No.249, Ground Floor, Front Building 4th Main Road, Chamrajpet, Bangalore-560 018 CIN : U72900KA2003PTC032831			
Standalone Ind AS Balance Sheet as at March 31, 2024			
		INR in Lakhs	
	Notes	As at 31-Mar-24	As at 31-Mar-23
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4A	53.08	32.17
Right of use assets	4B	156.55	205.98
Intangible assets	5	51.83	63.53
Investment property	6	-	500.90
<b>Financial assets</b>			
Investment	7	0.23	0.23
Other financial assets	9	554.72	208.23
Deferred tax assets (net)	10	1,186.20	1,165.03
Non Current tax assets (Net)	11	53.84	30.64
Other non-current assets	12	80.28	155.83
		<b>2,136.73</b>	<b>2,362.52</b>
<b>Current assets</b>			
Inventories	13	2,121.69	1,900.43
<b>Financial assets</b>			
Trade receivables	14	6,519.06	1,551.02
Cash and cash equivalents	15	2.75	61.37
Bank balances other than cash and cash equivalent	16	187.96	177.42
Loans	8	7.08	212.26
Other financial assets	9	196.44	1,165.55
Other current assets	12	775.69	542.88
		<b>9,810.68</b>	<b>5,610.93</b>
<b>Total assets</b>		<b>11,947.42</b>	<b>7,973.45</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	17	220.56	220.56
Instruments entirely equity in nature	18	151.49	151.49
Other equity	19	(1,486.32)	796.03
<b>Total equity</b>		<b>(1,114.27)</b>	<b>1,168.08</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20	-	-
Lease Liabilities	21	144.44	193.87
Other financial liabilities	23	-	-
Long term provisions	24	101.57	92.39
		<b>246.00</b>	<b>286.26</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20	10,015.59	4,589.78
Lease Liabilities	21	52.03	43.98
Trade payables	22	-	-
i) total outstanding dues of micro enterprises and small enterprises		182.56	80.71
ii) total outstanding dues of creditors other than micro enterprises and small		475.34	141.84
Other financial liabilities	23	1,529.04	1,326.32
Other current liabilities	25	62.74	87.82
Provisions	24	498.38	248.66
		<b>12,815.68</b>	<b>6,519.11</b>
<b>Total liabilities</b>		<b>13,061.68</b>	<b>6,805.37</b>
<b>Total equity and liabilities</b>		<b>11,947.42</b>	<b>7,973.45</b>
Summary of significant accounting policies and notes			
As per our report of even date			
For M/s Nagar & Navada Chartered Accountants ICAI Firm registration number : 015832S		For and on behalf of the Board of Directors of <b>PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED</b> CIN : U72900KA2003PTC032831	
 <b>Sandhya P Nagar</b> Partner Membership No.: 229158		 <b>V. Krishna Prasad</b> Managing Director DIN: 00502320	
 <b>Prahalad Ashok</b> Director DIN: 00488407		Place: Bangalore Date: 28-09-2024	
Place: Bangalore Date: 28-09-2024		Place: Bangalore Date: 28-09-2024	



**PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED**  
 No.249, Ground Floor, Front Building 4th Main Road, Chamrajpet, Bangalore-560 018  
 CIN : U72900KA2003PTC032831  
 Standalone Ind AS Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	INR in Lakhs	
		For year ended 31-Mar-24	For year ended 31-Mar-23
<b>Income</b>			
Revenue from operations	26	8,545.02	2,883.14
Other income	27	86.13	68.70
<b>Total Income</b>		<b>8,631.16</b>	<b>2,951.84</b>
<b>Expenses</b>			
Cost of Materials Consumed	28	7,057.34	2,040.62
Changes in Inventories	29	(216.17)	80.36
Employee benefits expense	30	734.96	809.61
Finance Cost	31	667.07	624.78
Depreciation and amortisation expense	32	71.73	83.00
Other expenses	33	1,107.86	770.59
<b>Total Expenses</b>		<b>9,422.79</b>	<b>4,408.96</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(791.63)</b>	<b>(1,457.12)</b>
Exceptional items	34	1,476.32	1,000.00
<b>Profit / (Loss) before tax (A - D)</b>		<b>(2,267.95)</b>	<b>(2,457.12)</b>
Tax expenses			
- Deferred tax		(705.11)	(1,064.96)
- Reversal of Deferred tax on brought forward losses		682.06	-
<b>Income tax expense</b>		<b>(23.05)</b>	<b>(1,064.96)</b>
<b>Profit / (Loss) for the year (E - F)</b>		<b>(2,244.89)</b>	<b>(1,392.17)</b>
<b>Other comprehensive income</b>			
Re-measurement gains/ (losses) on defined benefit plan		6.56	(10.14)
Tax effect		1.88	(2.90)
<b>Other comprehensive income for the year, net of tax</b>		<b>4.69</b>	<b>(7.24)</b>
<b>Total comprehensive income for the year</b>		<b>(2,240.21)</b>	<b>(1,399.41)</b>
<b>Earnings per equity share (in INR) [nominal value of INR 10 per share (Previous year - INR 10 per share)]</b>	38		
Basic		(101.57)	(63.45)
Diluted		(69.13)	(43.18)

Summary of significant accounting policies and notes  
 As per our report of even date

For M/s Nagar & Navada  
 Chartered Accountants  
 ICAI Firm registration number 1015832S

Sandhya P Nagar  
 Partner  
 Membership No.: 229158

Place: Bangalore  
 Date: 28-09-2024



For and on behalf of the Board of Directors of  
 PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED  
 CIN : U72900KA2003PTC032831

V. Krishna Prasad  
 Managing Director  
 DIN: 00502320

Place: Bangalore  
 Date: 28-09-2024

Prahalad Ashok  
 Director  
 DIN: 00488407

Place: Bangalore  
 Date: 28-09-2024



**PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED**  
**No.249, Ground Floor, Front Building 4th Main Road, Chamrajpet, Bangalore-560 018**  
**CIN : U72900KA2003PTC032831**  
**Standalone Ind AS Statement of Cashflows for the year ended March 31, 2024**

	INR in Lakhs	
	For year ended 31 March 2024	For year ended 31 March 2023
<b>Operating activities</b>		
<b>Profit / (Loss) before tax</b>	<b>(2,267.95)</b>	<b>(2,457.12)</b>
<i>Adjustments to reconcile loss before tax to net cash flows:</i>		
Depreciation on property, plant and equipment & investment property	71.73	83.00
Net foreign exchange differences	(14.18)	(5.10)
(Profit)/Loss on sale of property, plant and equipment(net)	(28.00)	-
Notional Income on Security Deposit (Non Cash)	-	(2.43)
Non Cash / Non operating reversals	6.56	(10.14)
Sundry balances written off	30.82	30.82
Interest income	(41.61)	(18.82)
Finance costs	645.79	599.48
Impairment of trade receivables and contract asset	26.34	10.40
<b>Working capital adjustments:</b>		
(Increase)/ decrease in trade receivables	(5,011.03)	569.77
(Increase)/ decrease in inventories	(221.26)	(194.10)
(Increase)/ decrease in non current tax assets	(23.20)	31.05
(Increase)/ decrease in financial assets	622.62	1,729.81
(Increase)/ decrease in other assets	(157.26)	63.51
(Increase)/ decrease in loans & advances	205.17	8.86
Increase/ (decrease) in trade payables	435.36	(441.31)
Increase/ (decrease) in others financial liabilities	202.72	278.93
Increase/ (decrease) in provisions	258.90	100.45
Increase/ (decrease) in other liabilities	(25.08)	(69.88)
<b>Income tax paid (net of refund)</b>	<b>(5,283.57)</b>	<b>307.15</b>
<b>Net cash flows from operating activities (A)</b>	<b>(5,283.57)</b>	<b>307.15</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(31.51)	(4.55)
Sale/(Purchase) of investing property	528.90	(504.68)
Bank Balance other than cash and cash equivalent	(10.54)	(177.42)
Interest received	41.61	18.82
<b>Net cash flows used in investing activities (B)</b>	<b>528.47</b>	<b>(667.83)</b>
<b>Financing activities</b>		
Interest paid (gross)	(645.79)	(599.48)
Increase/ (decrease) in short term borrowings	5,425.81	(1,402.87)
Increase/ (decrease) in Securities Premium on adjustment of expenses of capital infusio	(42.14)	-
Increase/ (decrease) in Lease liability	(41.39)	(36.84)
Issue of Convertible Preference Shares	-	2,461.06
<b>Net cash flows used in financing activities (C)</b>	<b>4,696.49</b>	<b>421.87</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(58.61)</b>	<b>61.19</b>
<b>Cash and cash equivalents at the beginning of the year (refer note 16)</b>	<b>61.37</b>	<b>0.17</b>
<b>Cash and cash equivalents at the end of the year (refer note 16)</b>	<b>2.75</b>	<b>61.37</b>

Summary of significant accounting policies and notes  
As per our report of even date

**For M/s Nagar & Navada**  
Chartered Accountants  
ICAI Firm registration number : 015832S

**Sandhya P Nagar**  
Partner  
Membership No.: 229128

Place: Bangalore  
Date: 28-09-2024

For and on behalf of the Board of Directors of  
**PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED**  
CIN : U72900KA2003PTC032831

**V.Krishna Prasad**  
Managing Director  
DIN: 00502320

**Prahalad Ashok**  
Director  
DIN: 00488407

Place: Bangalore  
Date: 28-09-2024

Place: Bangalore  
Date: 28-09-2024



PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED  
No.249, Ground Floor, Front Building 4th Main Road, Chamrajpet, Bangalore-560 018  
CIN : U72900KA2003PTC032831  
Standalone Ind AS Statement of Changes in Equity for the year ended March 31, 2024  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**A) Issued equity capital**

	Amount	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At March 31, 2022	22,05,620	220.56
Changes during the period		-
At March 31, 2023	22,05,620	220.56
Changes during the period	-	-
At March 31, 2024	22,05,620	220.56

**B) Instruments entirely equity in nature**  
For the year ended March 31, 2024

Balances at the beginning of the period	Changes in compulsorily convertible preference shares due to prior period errors	Restated balance at the beginning of the period	Changes in compulsorily convertible preference shares during the year	Balance at the end of the period
151.49	-	-	-	151.49

For the year ended March 31, 2023

Balances at the beginning of the period	Changes in compulsorily convertible preference shares due to prior period errors	Restated balance at the beginning of the period	Changes in compulsorily convertible preference shares during the year	Balance at the end of the period
-	-	-	151.49	151.49

**B) Other equity**

For the year ended March 31, 2023

INR in Lakhs

	Attributable to equity holders of the Company				Total
	Reserves and Surplus		Other comprehensive income	Capital Redemption Reserve	
	Securities premium reserve	Profit and Loss	Remeasurements of the net defined benefit Plans		
As at April 1, 2022	2,261.57	(2,375.97)	-	0.27	(114.13)
Profit / (Loss) for the period	-	(1,392.17)	-	-	(1,392.17)
Transferred to capital redemption reserve	-	(0.27)	-	0.27	-
Premium on issue of shares (Addition)	2,309.57	-	-	-	2,309.57
<b>Other comprehensive income</b>					
Equity component for issue of instrument during the year	-	-	-	-	-
Re-measurement gains/ (losses) on defined benefit plan	-	-	(10.14)	-	(10.14)
Tax adjustments	-	-	2.90	-	2.90
<b>At March 31, 2023</b>	<b>4,571.14</b>	<b>(3,768.41)</b>	<b>(7.24)</b>	<b>0.54</b>	<b>796.03</b>
Profit / (Loss) for the period	-	(2,244.89)	-	-	(2,244.89)
Transferred to capital redemption reserve	-	(0.27)	-	0.27	-
Adjustment of expenses related to infusion of capital	(42.14)	-	-	-	(42.14)
<b>Other comprehensive income</b>					
Equity component for issue of instrument during the year	-	-	-	-	-
Re-measurement gains/ (losses) on defined benefit plan	-	-	6.56	-	6.56
Tax adjustments	-	-	(1.88)	-	(1.88)
<b>At March 31, 2024</b>	<b>4,528.99</b>	<b>(6,013.57)</b>	<b>(2.55)</b>	<b>0.82</b>	<b>(1,486.32)</b>

\*Also refer note 19

Summary of significant accounting policies and notes

As per our report of even date

For M/s Nagar & Navada

Chartered Accountants

ICAI Firm registration number : 0158325

Sandhya P Nagar

Partner

Membership No.: 229158

Place: Bangalore

Date: 28-09-2024

For and on behalf of the Board of Directors of  
PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED  
CIN : U72900KA2003PTC032831

V. Krishna Prasad

Managing Director

DIN: 00502320

Place: Bangalore

Date: 28-09-2024

Prahalad Ashok

Director

DIN: 00488407

Place: Bangalore

Date: 28-09-2024



**1 Corporate information**

Prognosis Medical System Private Limited ('the Company') was incorporated on 7th November, 2003 as a Private Limited company under the Companies Act, 1956 ('the Act'). The Company is engaged in manufacturing of X ray equipment's, single detector solutions, dual detector solutions, floor mounted systems, ceiling suspended systems, floor to ceiling systems, mobile system, line powered and Battery operated systems and a bevy of ranges in C arm's.

**2A Basis of preparation of financial statements**

**i) Basis of preparation, presentation and summary of significant accounting policies**

**Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (herein referred to as 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act 2013 (Act) read with of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements up to year ended 31 March 2022 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2015 ("Indian GAAP", "Previous GAAP"). These financial statements for the year ended 31 March 2024 are the second set of financial statements prepared in accordance with Ind AS. The date of transition to Ind AS is 1 April 2021 (hereinafter referred to as the 'transition date').

The financial statements for the year ended 31 March 2022 and the opening Balance Sheet as at 1 April 2021 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss (including Comprehensive Income) and Cash Flow Statement are provided in Note 3.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

**Measurement of fair values**

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

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.

**Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals).

**2B Going Concern**

The financial statements have been prepared on a going concern basis. The company has incurred losses during the year and its net worth is negative as at the balance sheet date. However, the holding company has issued a letter of financial support, confirming its intention to provide the necessary funding to enable the company to meet its liabilities as and when they fall due. Based on this commitment, the management is confident that the company will continue to operate in the foreseeable future.

**3A Significant Accounting Policies**

**a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

**An asset is treated as current when it is:**

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
  - ii) Held primarily for the purpose of trading;
  - iii) Expected to be realised within twelve months after the reporting period, or
  - iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

**A liability is current when:**

- i) It is expected to be settled in normal operating cycle;
  - ii) It is held primarily for the purpose of trading;
  - iii) It is due to be settled within twelve months after the reporting period, or
  - iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.





## **b) Revenue Recognition**

### **Sale of goods**

Revenue from contract with customers is recognised when the Company satisfies performance obligation which is to deliver products to customers based on purchase orders received. Revenue from sales of products is recognized at a point in time when control of the products is transferred to the customer, generally upon delivery, which the Company has determined is when physical possession, legal title and risks and rewards of ownership of the products transfer to the customer and the Company is entitled to payment.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of returns, chargebacks, rebates and other similar allowances). In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

### **Sale of Services**

Service revenue is measured based on the consideration specified in a contract with a customer. Service revenue is recognised at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers. Service income is accounted net of goods and services tax.

### **Other income:**

Interest income from a financial asset is recognised on a time basis, by reference to the principal outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividend income from investments is recognised when the Company's right to receive dividend is established provided it is probable that the economic benefits associated with the dividend will flow to the Company as also the amount of dividend income can be measured reliably.

Commission income from customer is recognised in line with the contractual terms with the customer.

## **c) Property, plant and equipment (PPE), Capital work in progress and Capital advances**

### **Presentation**

An item of Property, Plant and Equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of Property, Plant and Equipment are carried out at cost less depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of CENVAT credit or other tax credit available to the Company.

The Company identifies and determines cost of each part of an item of Property, Plant and Equipment separately, if the part has a cost which is significant to the total cost of that item of Property, Plant and Equipment and has useful life that is materially different from that of the remaining item.

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

Capital Work-In-Progress are assets that are not ready for the intended use as at the Balance Sheet date. Capital advances represents advances given towards acquisition of property, plant and equipment and are outstanding as at the Balance Sheet date.

The company has elected to adopt carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as the deemed cost as at the date of transition to Ind AS.

### **Derecognition**

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### **Depreciation on property, plant and equipment**

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as stated in Schedule II of Companies Act, 2013

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing Rs.5,000 each or less are fully depreciated retaining its residual value.

The residual values, estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## **d) Intangible assets**

### **Useful life and amortisation of intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis

Amortization of the intangible assets is provided in the statement of profit and loss on written down value basis based on management's technical assessment of useful life of the assets as stated in Schedule II of Companies Act, 2013





**e) Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised in Statement of Profit.

**f) Borrowing Costs**

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. All other borrowings costs are expensed in the period in which they occur.

**g) Taxes**

**Current income tax**

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**Minimum alternate tax (MAT) Credit Entitlement**

MAT under the provisions of the Income-tax Act, 1961 (Act) is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**h) Retirement and other employee benefits**

**Provident Fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

**Gratuity**

Gratuity is a defined benefit plan. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to Statement of Profit and Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

**Short-term and long term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits, employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.





**i) Inventory**

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade, stores and spares and finished goods are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method.

Cost of raw materials and packing materials, stock-in-trade, stores and spares includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition.

Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

**j) Provisions, contingent liabilities and contingent asset**

A provision is recognised if, as a result of a past event, the Company has a present 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 recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possibility of an obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

**k) Cash and Cash equivalents**

Cash comprises cash in hand, cheques in hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

**l) Cash Flow Statement**

Cash flows are presented using indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of cash flow statement.

**m) Earnings per share**

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company does not have any potentially dilutive equity shares outstanding during the year.

Basic Earnings Per Share is calculated by dividing the Net profit / loss after tax for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period and for all periods presented are adjusted for events of bonus, granting and vesting employee stock options to employees. For the purpose of calculating diluted earnings per share, the net profit / loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**n) Foreign currency transactions and translations**

**Initial recognition:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee ('₹'), which is the Company's functional and presentation currency. Foreign currency transactions are recorded in the functional currency by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

**Conversion:**

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

**Exchange differences:**

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





**o) Leases**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**p) Segment reporting**

The Company is engaged in the manufacturing of medical equipments and is governed by a similar set of risks and returns. The Managing director reviews the operations of the entity as one operating segment. Hence no separate segment information has been furnished herewith pursuant to the explanation given in IND AS - 108 "Operating Segments".

**q) Events after the reporting date:**

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

**r) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instruments.

**I) Financial Assets**

**(i) Initial recognition and measurement:**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting. Transaction costs directly attributable to the acquisition of financial assets at Fair Value through Profit or Loss are recognised in the Statement of Profit and Loss.

**(ii) Subsequent measurement:**

**-Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

**-Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

**-Financial assets at fair value through profit OR loss (FVTPL)**

A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the above classification of the financial assets. Debt instruments that meet conditions based on purpose of holding assets and contractual terms of instrument are subsequently measured at amortised cost using effective interest method. All other financial assets are measured at fair value. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as Fair Value Through Profit or Loss. Interest income is recognised in profit or loss and is included in the "Other income" line item.





### **iii) Impairment of financial assets (Molbio)**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109- Financial Instruments.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward- looking estimates are analysed.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk in the financial instruments has significantly increased since initial recognition.

For Financial assets maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

### **III. Financial liabilities**

#### **(i) Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost. Transaction costs directly attributable to the acquisition of financial liabilities at Fair Value through Profit or Loss are recognised in the Statement of Profit and Loss.

#### **(ii) Subsequent measurement:**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **IV. Derecognition of financial assets and financial liabilities**

The entity derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when the entity transfers the contractual rights to receive the cash flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset. The entity derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expires.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **s) Fair value measurement**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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 accessible to the Company.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

#### **t) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### **3B Critical accounting judgements and key sources of estimation uncertainty :**

In the application of the Company's accounting policies, which are described in note 3, the Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods. The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment
- Useful lives of Intangible assets
- Fair value of financial assets and financial liabilities
- Going Concern Assessment





**PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED**  
No.249, Ground Floor, Front Building 4th Main Road, Chamrajpet, Bangalore-560 018  
CIN : U72900KA2003PTC032831  
Notes forming part of the financial statements for period ended 31st March 2024

**4A Property, plant and equipment**

	INR in Lakhs					
	Building	Computer Equipments	Plant and machinery	Furniture and Fixtures	Office equipments	Vehicles
<b>Gross Carrying Amount</b>						
At March 31, 2022	2.85	10.56	0.01	6.39	32.95	0.30
Additions	-	3.43	0.25	-	0.88	-
Disposals	-	-	-	-	-	-
At March 31, 2023	2.85	13.98	0.26	6.39	33.83	0.30
Additions	-	8.31	-	9.90	13.29	-
Disposals	-	-	-	-	-	-
At March 31, 2024	2.85	22.30	0.26	16.29	47.12	0.30
<b>Accumulated Depreciation and Amortisation</b>						
At March 31, 2022	1.21	2.30	0.00	1.64	7.36	0.08
Additions	0.66	5.01	0.00	1.23	5.88	0.06
Disposals	-	-	-	-	-	-
At March 31, 2023	1.87	7.32	0.00	2.87	13.24	0.13
Additions	0.36	4.47	0.00	1.01	4.70	0.04
Disposals	-	-	-	-	-	-
At March 31, 2024	2.23	11.79	0.00	3.88	17.95	0.18
<b>Net Book value</b>						
At March 31, 2023	0.99	6.67	0.25	3.51	20.58	0.16
At March 31, 2024	0.62	10.51	0.25	12.41	29.17	0.12

**4B Right of use assets**

	Total
At March 31, 2022	304.85
Additions	-
Disposals	-
At March 31, 2023	304.85
Additions	-
Disposals	-
At March 31, 2024	304.85
<b>Accumulated Depreciation and impairment</b>	
At March 31, 2022	49.44
Additions	49.44
Disposals	-
At March 31, 2023	98.87
Additions	49.44
Disposals	-
At March 31, 2024	148.31
<b>Net Book value</b>	
At March 31, 2023	205.98
At March 31, 2024	156.55

(1) On transition to Ind AS (i.e. April 01, 2021), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.





**5 Intangible assets**

INR in Lakhs

	Licenses	Product Development	Software	R&D Project	Total
<b>Gross Carrying Amount</b>					
At March 31, 2022	0.52	21.85	2.75	72.79	97.90
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At March 31, 2023	0.52	21.85	2.75	72.79	97.90
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At March 31, 2024	0.52	21.85	2.75	72.79	97.90
<b>Accumulated Amortization and Impairment</b>					
At March 31, 2022	0.52	8.73	0.92	7.28	17.44
Additions	-	8.73	0.92	7.28	16.93
Disposals	-	-	-	-	-
At March 31, 2023	0.52	17.47	1.83	14.56	34.37
Additions	-	3.51	0.92	7.28	11.70
Disposals	-	-	-	-	-
At March 31, 2024	0.52	20.98	2.75	21.84	46.07
<b>Net Carrying Value</b>					
At March 31, 2023	-	4.38	0.92	58.23	63.53
At March 31, 2024	-	0.87	-	50.95	51.83

(1) On transition to Ind AS (i.e. April 01, 2021), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

**6 Investment Property**

	Total
At March 31, 2022	-
Additions	504.68
Capitalized	-
At March 31, 2023	504.68
Additions	-
Disposals	504.68
At March 31, 2024	-
<b>Depreciation and impairment</b>	
At March 31, 2022	-
Additions	3.79
Disposals	-
At March 31, 2023	3.79
Additions	-
Disposals	3.79
At March 31, 2024	-
<b>Net Book value</b>	
At March 31, 2023	500.90
At March 31, 2024	-

**Note:** During the year the company has sold its Investment property for INR 580.00 Lakhs on 07-02-2024. The expenses related to the maintenance and sale of the property has been adjusted to the proceeds from sale of the property.





**7 Investment**

INR in Lakhs

	31 March 2024	31 March 2023
<b>Non-current investments:</b>		
Investments carried at amortised cost		
* Investment in others	0.23	0.23
<b>Total investments carried at amortised cost</b>	<b>0.23</b>	<b>0.23</b>
* Investment in Others include Investment in 1500 unquoted Equity shares of Generex Power Systems Private Limited (Company in which KMP are interested) representing 15% holding.		
Aggregate amount of unquoted investments	0.23	0.23
Aggregate amount of impairment in value of investments	-	-

**8 Loans**

INR in Lakhs

	31 March 2024	31 March 2023
<b>Current</b> (Unsecured considered good, unless stated otherwise)		
<b>a) Loans and advances to Related Parties</b>		
Advance to Generex Power Systems Pvt Ltd	242.71	207.24
Less: Provision for potential Impairment	(242.71)	-
	-	207.24
<b>b) Loans and advances to Others</b>		
Loans & Advance to employee	7.08	5.00
Loans & Advance to others	-	0.02
	<b>7.08</b>	<b>212.26</b>

The Company has not granted any advances in the nature of loans to promoters, KMPs and the related parties (as defined under the Companies Act, 2013) either severally or jointly.

Note: The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

**9 Other financial assets**

INR in Lakhs

	31 March 2024	31 March 2023
<b>Non - Current</b>		
Security deposits		
- to parties other than related parties	42.54	39.95
	<b>42.54</b>	<b>39.95</b>
Bank Deposits with more than 12 months maturity	512.18	168.27
	<b>554.72</b>	<b>208.23</b>
<b>Current</b>		
Security deposits		
- to parties other than related parties	1.16	1.19
	<b>1.16</b>	<b>1.19</b>
Earnest Money Deposit against Tenders	2,143.68	2,142.63
Less: Provision for potential Impairment of EMD	(1,995.14)	(1,000.00)
	<b>148.54</b>	<b>1,142.63</b>
Interest accrued on fixed deposits	46.74	21.73
	<b>196.44</b>	<b>1,165.55</b>

Note: The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

**Note:** During FY 2021-22 the Company, in the usual course of business decided to participate in a Tender, purportedly floated by West Bengal Health and Family Welfare department for an amount of Rs.2000.00 Crores for supply of Mobile E-Clinics, Operational Maintenance, etc. As part of the tendering process, the Company was called upon to deposit EARNEST MONEY DEPOSIT (EMD), in various instalments and accordingly the company took Demand Drafts and deposited the same for a sum of INR 26,15,20,000 (Indian Rupees Twenty-Six Crores Fifteen Lakhs and Twenty Thousand). Subsequently, the company got to know, there was a fraud committed by two persons to float a fake tender by forging signatures of high ranking Government officials of West Bengal Government. The DDs for the EMD amount submitted by the Company in the name of ACWBHFW SERVICES towards EMD was fraudulently deposited into a private account opened in DBS bank and was diverted to various other beneficiaries. The Company immediately initiated criminal and civil proceedings against the fraudsters with appropriate authorities who are investigating the matter. The company in the process has been successful in recovering about Rs.1.49 Crores as deposits into its account and additionally has also recovered Rs.4.76 Crores by other means. The balance amount of Rs.19.95 Crores, reflected as "asset" in the Balance Sheet of the Company as on 31/03/2023, is yet to be recovered. Considering the process of investigation and legal formalities, the recovery process and the financial status of the people involved, the actual recovery of the amounts may be delayed and full recovery of the balance dues looks doubtful. Hence, Company has created a provision for 50% of the balance dues, ie Rs.10.00 Crores as "potential loss" on this transaction in the year FY 22-23. Further the Company has decided to create an additional provision for the balance dues, ie Rs.9.95 Crores as "potential loss" on this transaction.





**10 Income tax**

The Company is subject to income tax in India on the basis of Standalone Ind AS Financial Statements. Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which was effective from April 01, 2019, domestic companies had the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. However, the Company based on the projections continue to provide for taxes at the normal rates of tax as per the Income Tax Act, 1961.

**a. Income tax expenses in the Standalone Ind AS statement of profit and loss and other comprehensive income consist of the following:**

	INR in Lakhs	
	31-Mar-24	31-Mar-23
(a) Current tax	-	-
(b) Deferred tax charge / (credit)	(23.05)	(1,064.96)
	<u>(23.05)</u>	<u>(1,064.96)</u>
<b>Other comprehensive income ('OCI')</b>		
Deferred tax related to re-measurement losses on defined benefit plans	-	-
<b>Income tax credit to OCI</b>	<u>-</u>	<u>-</u>

**b. Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:**

	INR in Lakhs	
	31-Mar-24	31-Mar-23
<b>Profit before taxes</b>	<b>(2,267.95)</b>	<b>(2,457.12)</b>
Applicable tax rates in India	28.60%	28.60%
Computed tax charge	(648.63)	(702.74)
Non-deductible expenses for tax purposes	13.00	11.73
Error in opening deferred tax (Reversal of excess DTA tax created)	682.06	-
Others	(69.48)	(371.05)
Total tax expense	<u>(23.05)</u>	<u>(1,062.06)</u>
Income tax reported in the Standalone Ind AS statement of profit and loss	<u>(23.05)</u>	<u>(1,062.06)</u>

**c. Deferred tax assets (net)**

	INR in Lakhs	
	31-Mar-24	31-Mar-23
<b>Deferred tax liabilities</b>		
On account of Right to use assets	44.77	58.91
<b>Gross deferred tax liabilities</b>	<u>44.77</u>	<u>58.91</u>
<b>Deferred tax assets</b>		
Difference between carrying amounts of property, plant and equipment in financial statement and the income tax return	14.75	16.71
On account of provision for gratuity & leave encashment	37.96	34.28
On account of Minimum Alternate Tax Credit	70.04	70.04
On account of Security deposits	0.34	0.34
On account of expected credit loss allowance	647.56	292.30
On account of brought forward losses	400.98	739.07
On account of Lease Liability	56.19	68.02
On account of others	3.18	3.18
<b>Gross deferred tax assets</b>	<u>1,230.98</u>	<u>1,223.94</u>
<b>Net deferred tax Asset</b>	<u>1,186.20</u>	<u>1,165.03</u>
<b>Net deferred tax Asset recognised*</b>	<u>1,186.20</u>	<u>1,165.03</u>

\*Deferred tax asset is recognised to the extent of the probability of taxable profits in future periods.

\*During the year, according to section 79 of Income Tax Act, 1961, the company has reversed the DTA On account of brought forward losses to the tune of INR 682.06 Lakhs.

**11 Tax Assets (Net)**

	INR in Lakhs	
	31 March 2024	31 March 2023
<b>Non- Current</b>		
Taxes paid (Net of provision)	53.84	30.64
	<u>53.84</u>	<u>30.64</u>





**12 Other assets**

INR in Lakhs

	31 March 2024	31 March 2023
<b>Non - Current</b>		
<b>Unsecured, considered good</b>		
Deposit with Authorities	12.00	12.00
Prepaid expenses	18.47	21.05
Deferred Asset (Security Deposit)	8.23	8.23
Balance with Statutory Authorities	1.37	1.37
Deferred Revenue Expenditure	40.21	113.18
Other assets	-	-
	<b>80.28</b>	<b>155.83</b>
<b>Current</b>		
<b>Unsecured, considered good</b>		
Deposit with Authorities	6.20	6.20
Advance to suppliers	54.53	33.36
Deferred Asset (Security Deposit)	2.63	2.63
Balance with Statutory Authorities	668.11	493.48
Other assets	44.22	7.21
	<b>775.69</b>	<b>542.88</b>

Note: The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

**13 Inventories**

INR in Lakhs

	31 March 2024	31 March 2023
Stock of Raw Material	1,798.24	1,793.14
Stock of Work-in-progress	87.66	102.97
Stock of Finished Goods	235.80	4.32
	<b>2,121.69</b>	<b>1,900.43</b>

Note: 1. The management based on the physical verification done by them has found certain obsolete and nonmoving items, which has been written off in books.  
2. The closing balance of inventories is net of provision of ₹ 537.48 Lakhs (March 31, 2023 : ₹ 100.20 Lakhs)

**14 Trade receivable**

INR in Lakhs

	31 March 2024	31 March 2023
<b>Trade receivables</b>		
<b>Unsecured, considered good, unless stated otherwise</b>		
-From Others	6,545.40	1,573.03
	6,545.40	1,573.03
Less: Allowances for credit losses	26.34	22.01
<b>Total Trade receivables</b>	<b>6,519.06</b>	<b>1,551.02</b>
<b>Expected credit loss allowance</b>		
<b>At the beginning of the year</b>	-	11.61
Provision made during the year	26.34	10.40
Utilised/ reversed during the year	-	22.01
<b>At the end of the year</b>	<b>26.34</b>	<b>-</b>





**Trade Receivables Ageing Schedule**

#No Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

**At March 31, 2024**

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed trade-receivables - considered good	5,301.08	1,099.23	113.95	28.89	2.26	6,545.40
Undisputed trade-receivables - which have significant increase in credit risk	-	(21.98)	(3.42)	(0.87)	(0.07)	(26.34)
Undisputed trade-receivables - credit impaired	-	-	-	-	-	-
Disputed trade-receivables - considered good	-	-	-	-	-	-
Disputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade-receivables - credit impaired	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-
<b>Total</b>	<b>5,301.08</b>	<b>1,077.25</b>	<b>110.53</b>	<b>28.03</b>	<b>2.19</b>	<b>6,519.06</b>

Note: The total Trade Receivables of INR 6545.40 Lakhs is net of Bad debts of INR 238.47 Lakhs.

**At March 31, 2023**

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
Undisputed trade-receivables - considered good	774.90	193.27	316.69	9.96	278.21	1,573.03
Undisputed trade-receivables - which have significant increase in credit risk	-	(3.87)	(9.50)	(0.30)	(8.35)	(22.01)
Undisputed trade-receivables - credit impaired	-	-	-	-	-	-
Disputed trade-receivables - considered good	-	-	-	-	-	-
Disputed trade-receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade-receivables - credit impaired	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-
<b>Total</b>	<b>774.90</b>	<b>189.40</b>	<b>307.19</b>	<b>9.66</b>	<b>269.87</b>	<b>1,551.02</b>

**15 Cash and cash equivalents**

	INR in Lakhs	
	31 March 2024	31 March 2023
<b>Cash and cash equivalents</b>		
Balances with banks:		
- On current accounts	2.75	61.20
Cash on hand	0.00	0.17
<b>Cash and cash equivalents Balances with banks</b>	<b>2.75</b>	<b>61.37</b>

**Note:**

Short-term deposits are made for varying periods of between seven day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

**16 Bank balances other than cash and cash equivalent**

	INR in Lakhs	
	31 March 2024	31 March 2023
<b>Bank balance other than cash and cash equivalents</b>		
- Deposits with maturity for more than 3 months but less than 12 months	187.96	177.42
	<b>187.96</b>	<b>177.42</b>

Note: The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.





**17 Equity share capital**

	INR in Lakhs	
	31-Mar-24	31-Mar-23
<b>Authorised Share Capital</b>		
Class 'A' Equity Shares of Rs. 10/- each	255	255
Class 'B' Equity Shares of Rs. 10/- each	0.00	0.00
Cumulative Convertible Preference Shares of Rs. 10/- each	152	152.00
<b>Issued, subscribed and fully paid-up shares</b>		
Class 'A' Equity Shares of Rs. 10/- each	220.56	220.56
Class 'B' Equity Shares of Rs. 10/- each	0.00	0.00
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>220.562</b>	<b>220.562</b>

	INR in Lakhs			
	Cumulative Convertible Preference Shares		Equity Shares	
	No. of Shares	Amount	No. of Shares	Amount
<b>At March 31, 2022</b>	<b>85,000</b>	<b>8.50</b>	<b>25,50,000</b>	<b>255.00</b>
Increase/(decrease) during the period	-	-	-	-
<b>At Feb 13, 2022</b>	<b>85,000</b>	<b>8.50</b>	<b>25,50,000</b>	<b>255.00</b>
Increase/(decrease) during the period	67,000	6.70	-	-
<b>At March 31, 2023</b>	<b>1,52,000</b>	<b>15.20</b>	<b>25,50,000</b>	<b>255.00</b>
Increase/(decrease) during the period	-	-	-	-
<b>At March 31, 2024</b>	<b>1,52,000</b>	<b>15.20</b>	<b>25,50,000</b>	<b>255.00</b>

**Terms/ rights attached to equity shares**

All Equity Shares rank equally with regards to entitlement of dividends of the Company.

**Voting Rights for Class 'A' Equity Shares:**

Entitled by way of One vote for One Share held

**Voting Rights for Class 'B' Equity Shares:**

(a) 26% (twenty six percent) of the aggregate voting rights in respect of any resolution prior to the conversion of the CCPS into Equity Shares in accordance with the provisions of Shareholders Agreement, and

(b) 2% (two percent) of the aggregate voting rights in respect of any resolution relating to the amendment of the Memorandum of Association or Articles of Association, after the conversion of the CCPS into Equity Shares

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	31-Mar-24		31-Mar-23	
	No of Shares	Holding percentage	No of Shares	Holding percentage
<b>Equity shares of INR.10 each fully paid up</b>				
V. Krishna Prasad	1,30,216	5.90%	1,30,216	5.90%
Chayagraphics (India) Private Limited	8,88,600	40.29%	8,88,600	40.29%
Molbio Diganostics Private Limited	8,90,103	40.36%	8,90,103	40.36%
Purushottam Financiers Private Limited	1,03,217	4.68%	1,03,217	4.68%
Somerset Indus Healthcare Fund I Limited	1,93,484	8.77%	1,93,484	8.77%

**Note:**

# shares held by holding company

**Details of Shares held by promoters**

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares at the beginning of the year	No. of shares at the end of year	% age of Total Shares	No. of Shares at the beginning of the year	No. of shares at the end of year	% age of Total Shares
<b>Equity shares of INR.10 each fully paid up</b>						
V. Krishna Prasad	1,30,216	1,30,216	5.90%	1,30,216	1,30,216	5.90%
Chayagraphics (India) Private Limited	8,88,600	8,88,600	40.29%	8,88,600	8,88,600	40.29%
<b>Total</b>	<b>10,18,816</b>	<b>10,18,816</b>	<b>46.19%</b>	<b>10,18,816</b>	<b>10,18,816</b>	<b>46.19%</b>

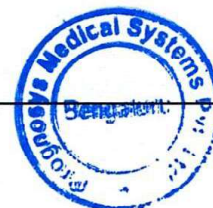
**I. For a period of five years immediately preceding the date of Balance Sheet**

- There are no shares allotted for consideration other than cash
- There are no shares allotted as fully paid up in the form of Bonus Shares
- There are no shares bought back

**II. There are no equity shares reserved for issue under options and contracts/commitments for the sale of shares.**

**III. There are no calls unpaid on any equity shares.**

**IV. There are no forfeited shares.**





18 Instruments entirely equity in nature		INR in Lakhs	
		31-Mar-24	31-Mar-23
<b>Issued, subscribed and fully paid-up shares</b>			
Cumulative Convertible Preference Shares of Rs. 10/- each		151.49	151.49
		<b>151.49</b>	<b>151.49</b>
		31-Mar-24	31-Mar-23
Compulsorily Convertible Preference Shares		151.49	151.49
<b>Total</b>		<b>151.49</b>	<b>151.49</b>

**# Terms for conversion into equity shares**

The CCPS held by the Investor shall convert into 31.94% of the paid up share capital of the Company as existing on the "Closing date", or upon earlier of the occurrence of any of the following events:

- The Company shall convert the Investor CCPS into Equity Shares prior to the afore-mentioned period of 10 (ten) years, only after providing full exit to Seller 1 and Seller 3.
- At any time prior to the Long Stop Conversion Date (as defined below) upon the Investor issuing a notice to the Company for conversion of all CCPS into Equity Share(s); or
- Upon the expiry of 10 (ten) years from the Closing ("Long Stop Conversion Date") if the Investor has not issued a notice under paragraph (b) above.
- On the Promoters not having and/or losing Control over the Company.

19 Other equity		INR in Lakhs	
		31-Mar-24	31-Mar-23
<b>Security Premium</b>			
Balance at the beginning of the year		4,571.14	2,261.57
Changes during the period		(42.14)	2,309.57
<b>Closing balance</b>		<b>4,529.00</b>	<b>4,571.14</b>
<b>Retained Earnings</b>			
Balance at the beginning of the year		(3,768.41)	(2,375.97)
Profit / (Loss) for the period		(2,244.89)	(1,392.17)
Less: Dividend		(0.27)	(0.27)
<b>Closing balance</b>		<b>(6,013.57)</b>	<b>(3,768.41)</b>
<b>Other comprehensive income</b>			
Balance at the beginning of the year		(7.24)	-
Re-measurement gains/ (losses) on defined benefit plans		6.56	(10.14)
Less: Deferred Tax Asset		1.88	(2.90)
<b>Closing balance</b>		<b>(2.55)</b>	<b>(7.24)</b>
<b>Closing balance</b>		<b>(6,016.13)</b>	<b>(3,775.65)</b>
<b>Capital Redemption Reserve</b>			
Balance at the beginning of the year		0.54	0.27
Add: Transferred from Surplus in statement of profit and loss		0.27	0.27
<b>Balance at the end of the year (D)</b>		<b>0.82</b>	<b>0.54</b>
<b>Total other equity</b>		<b>(1,486.32)</b>	<b>796.03</b>

Note: The company has incurred losses during the year and its net worth is negative as at the balance sheet date. However, the holding company has issued a letter of financial support, confirming its intention to provide the necessary funding to enable the company to meet its liabilities as and when they fall due. Based on this commitment, the management is confident that the company will continue to operate in the foreseeable future.





**20 Borrowings**

INR in Lakhs

	31-Mar-24	31-Mar-23
<b>Non - Current</b>		
<u>Unsecured</u>	-	-
<b>Current</b>		
<u>Secured</u>		
Term Loans	-	288.23
Cash Credit from Bank	5,636.16	565.61
<u>Unsecured</u>		
From Related Parties (Refer Note 35 for the detailed bifurcation for the movement for loan and party wise balances)	4,379.43	3,735.94
	<b>10,015.59</b>	<b>4,589.78</b>
<u>Secured Cash Credit from banks</u>		
a) Security Pledged - Primary:	Corporate Guarantee by Molbio Diagnostics Pvt Ltd Private Limited	
b) Repayment terms		
Cash Credit from Banks are repayable within 1 year but subject to annual renewal.		
Unsecured loans From Related Parties are repayable on demand		
c) Interest Rate:		
Secured Cash Credit from banks	8% - 10% p.a.	
Unsecured loans From Related Parties	8% - 10% p.a.	

**21 LEASE LIABILITIES**

The carrying amounts of lease liabilities assets recognised and the movements during the year is as follows:

	31-Mar-24	31-Mar-23
<b>Opening balance</b>	237.85	274.69
Additions	-	-
Accretion of interest	21.28	25.31
Disposal	-	-
Payments	-62.67	-62.15
<b>Closing balance</b>	<b>196.46</b>	<b>237.85</b>

	31-Mar-24	31-Mar-23
<b>Non- Current</b>		
Lease liability	144.44	193.87
	<b>144.44</b>	<b>193.87</b>
<b>Current</b>		
Lease liability	52.03	43.98
	<b>52.03</b>	<b>43.98</b>

**Disclosures required by Indian Accounting Standard (Ind AS) 116 - Leases**

The Company has taken office, residential facilities and plant and machinery (including equipments) etc. under cancellable/ non-cancellable lease agreements that are renewable on a periodic basis at the option of both the Lessor and the Lessee. The initial tenure of the lease generally is for 5 years from 15-5-2022.

The maturity analysis of lease liabilities are disclosed in note 42.

The following amounts are recognised in the Statement of Profit and Loss

	31-Mar-24	31-Mar-23
Depreciation expense of right-of-use assets (refer note 4B)	49.44	49.44
Interest expense on lease liabilities (refer note 31)	21.28	25.31
Expense relating to leases of low-value assets/short term leases (included in other expenses)	-	-
<b>Total amount recognised in the Standalone Ind AS Statement of Profit and Loss</b>	<b>70.71</b>	<b>74.74</b>





**22 Trade payables**

INR in Lakhs

	31-Mar-24	31-Mar-23
<b>Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises	182.56	80.71
- Total outstanding dues of creditors other than micro enterprises and small enterprises	475.34	141.84
	<u>657.90</u>	<u>222.54</u>

Note: The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

Note: The company has created provision for interest on any delayed payments made to MSME creditors after 45 days.

**Trade Payable Aging Schedule**

**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payments *				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	182.56	-	-	-	182.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	462.84	10.07	2.43	-	475.34
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>645.40</b>	<b>10.07</b>	<b>2.43</b>	<b>-</b>	<b>657.90</b>

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payments *				Total
	Less than 1 year	1- 2 years	2- 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	80.71	-	-	-	80.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	138.78	2.17	0.89	-	141.84
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>219.49</b>	<b>2.17</b>	<b>0.89</b>	<b>-</b>	<b>222.54</b>

**23 Other financial liabilities**

INR in Lakhs

	31-Mar-24	31-Mar-23
<b>Current</b>		
Interest accrued and due on borrowings	1,259.81	980.86
Interest Payable on delayed payments to MSME	9.02	-
Payable to capital creditors	0.62	-
Employee related payables	71.25	106.23
Other payables	188.35	239.24
<b>Total other current financial liabilities</b>	<u>1,529.04</u>	<u>1,326.32</u>

Note: The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

**24 Provisions**

INR in Lakhs

	31-Mar-24	31-Mar-23
<b>Non-Current</b>		
<b>Provision for employee benefits</b>		
-Provision for gratuity (refer note 37)	101.57	92.39
	<u>101.57</u>	<u>92.39</u>
<b>Current</b>		
<b>Provision for employee benefits</b>		
-Provision for gratuity (refer note 37)	31.14	27.46
<b>Provision for warranty</b>	467.24	221.20
	<u>498.38</u>	<u>248.66</u>

**25 Other liabilities**

INR in Lakhs

	31-Mar-24	31-Mar-23
<b>Current</b>		
Advance received from customer	13.89	27.89
Payable towards statutory dues	48.85	59.93
	<u>62.74</u>	<u>87.82</u>





**26 Revenue from operations**

	For period ended 31 March, 24	For period ended 31 March, 23
Sale of Products	8,239.75	2,592.80
Sale of Services	305.27	290.33
	<u>8,545.02</u>	<u>2,883.14</u>

**27 Other income**

	For period ended 31 March, 24	For period ended 31 March, 23
<b>Interest Income</b>		
- Others	41.61	18.82
Discounts Received	0.02	2.20
Duty drawback received	1.04	8.45
Exchange gain	14.83	14.89
Profit on sale of asset	28.00	-
Insurance Claim Received	-	0.16
Warranty income	-	19.60
Income Tax refund received	0.63	1.85
Miscellaneous Income	-	0.30
Notional Income on Security Deposit	-	2.43
	<u>86.13</u>	<u>68.70</u>

**28 Cost of Materials Consumed**

	For period ended 31 March, 24	For period ended 31 March, 23
Opening stock	1,793.14	1,518.69
Add: Purchases of material	7,062.43	2,315.08
Less: Closing stock	1,798.24	1,793.14
	<u>7,057.34</u>	<u>2,040.62</u>

**29 Changes in Inventories**

	For period ended 31 March, 24	For period ended 31 March, 23
Opening Inventory		
Stock of Work-in-progress	102.97	176.02
Stock of Finished Goods	4.32	11.63
Less: Closing Inventory		
Stock of Work-in-progress	87.66	102.97
Stock of Finished Goods	235.80	4.32
<b>(Increase) in</b>	<u>(216.17)</u>	<u>80.36</u>

**30 Employee benefits expense**

	For period ended 31 March, 24	For period ended 31 March, 23
Salaries, wages and bonus	655.72	645.57
Contribution to provident and other funds	23.55	21.67
Gratuity Expenses	23.12	117.57
Staff welfare expenses	32.57	24.80
	<u>734.96</u>	<u>809.61</u>

**31 Finance cost**

	For period ended 31 March, 24	For period ended 31 March, 23
Interest Expense	596.85	571.80
Interest expense on lease liability	21.28	25.31
Interest on Delayed Payment to MSME	9.02	-
Bank Commission charges	22.85	15.31
Interest to Others	3.54	0.24
Loan Processing charges	13.54	12.12
	<u>667.07</u>	<u>624.78</u>





**32 Depreciation and amortisation expense**

	For period ended 31 March, 24	For period ended 31 March, 23
Depreciation on property, plant and equipment	10.59	12.85
Depreciation on intangible assets	11.70	16.93
Depreciation on Right-of-use Asset	49.44	49.44
Depreciation on Investment Property	-	3.79
	<u>71.73</u>	<u>83.00</u>

**33 Other expenses**

	For period ended 31 March, 24	For period ended 31 March, 23
Power and fuel	8.98	6.69
Rental expenses for Operating Lease	0.38	2.59
Repairs and maintenance		
- Plant and Machinery	1.22	1.93
- Others	46.52	28.43
Rates and Taxes	41.09	34.22
Travelling and conveyance	143.98	172.23
Freight and Transportation charges	117.42	54.93
Office Maintenance	8.44	10.17
Legal and professional fees	137.29	90.54
Payment to Auditors*	13.41	11.89
Advertising and sales promotion	37.14	1.93
Job Work and Labour Charges	92.28	69.84
Warranty Cost	229.22	-
Bank Charges	0.90	0.58
Brokerage and commission	-	59.93
Development Charges	13.07	17.25
Insurance	28.49	12.47
Packing and forwarding Charges	12.12	8.75
Quality Assurance Test charges	4.60	3.78
Printing and Stationery	15.11	17.36
Discounts Given	-	1.37
Sundry Balances written off	30.82	30.82
Exchange loss	0.65	9.79
Allowances for credit losses	26.34	10.40
Miscellaneous expenses	98.37	112.70
	<u>1,107.86</u>	<u>770.59</u>

**\* Payment to auditor**

	For period ended 31 March, 24	For period ended 31 March, 23
As auditor:		
Statutory Audit Fee	4.00	3.30
Internal Audit fee	9.41	8.59
	<u>13.41</u>	<u>11.89</u>

**34 Exceptional items**

	For period ended 31 March, 24	For period ended 31 March, 23
# Bad Debts #	238.47	-
* Potential Write Off of doubtful balances	1,237.85	1,000.00
	<u>1,476.32</u>	<u>1,000.00</u>
# Bad debts represents long unrecoverable receivables which has been written off	238.47	-
* Includes provision created against potential impairment of advances to Genereux	242.71	-
* Includes provision created against West Bengal Fraud case	995.14	1,000.00





No.249, Ground Floor, Front Building 4th Main Road, Chamrajpet, Bangalore-560 018  
CIN : 172900KA2003PTC032831

CIN: U72900KA2003PTC032831

Notes forming part of the financial statements for period ended 31st March 2024

### 35 Related party transactions

a) The following table provides the name of the related party and the nature of its relationship with the Company:

### Key Managerial Personnel (KMP)

Managing Director	Mr. V. Krishna Prasad
Director	Mr. Natarajan Sirram
Director	Mr. Ashok Prabhalad
Director	Mr. Chandrasekhar Nair
Director	Mr. Sunil Monga (Resigned)
Director	Mr. Mayur Anand Sirdesai
Director	Mr. Avinash A Kenkare

### Relatives of KMP

LLP in which Relative of KMP is a Director  
 LLP in which Relative of KMP is a Director  
 Company in which Relative is a Director  
 Company in which Directors are Interested  
 Company in which Directors are Interested  
 Company in which Directors are Interested  
 Company in which Directors are Interested  
 Company in which Directors are Interested

Purushottam Financiers LLP
Dongoo LLP
Dongoo AI Pvt Ltd
Chayagraphics Health Care Pvt Ltd
Prognosis Healthcare (India) Pvt Ltd
Mobio Diagnostics Private Limited
Exora Trading LLP
Somnesh Healthcare Investment Advisors Pvt Ltd
Genetex Power Systems Pvt Ltd

**b) Details of the transactions with the related parties:**

[illegible]

Private Limited has issued a letter of comfort committing to provide financial support to the company, ensuring its ability to meet obligations as they fall due. The estimated amount of

**36 Segment Information**

An operating segment is a component 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 other components, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and for which discrete financial information is available. The Company is engaged in the manufacturing of medical equipments and is governed by a similar set of risks and returns. The Managing director reviews the operations of the entity as one operating segment. Hence no separate segment information has been furnished herewith pursuant to the explanation given in IND AS - 108 "Operating Segments".

(i) The entity wide disclosures as required by Ind AS-108 are as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products	8,239.75	2,592.80
Other operating revenue	305.27	290.33
<b>Total</b>	<b>8,545.02</b>	<b>2,883.14</b>

**(ii) Geographical information**

**Revenue from customers**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India	8,418.90	2,383.46
Outside India*	126.12	499.67
<b>Total</b>	<b>8,545.02</b>	<b>2,883.14</b>

\*Exports to any single country are not material to be disclosed.

**Non-current assets\*\***

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India	341.74	958.40
Outside India	-	-
<b>Total</b>	<b>341.74</b>	<b>958.40</b>

\*\* Non current assets does not include deferred tax assets, financial assets and non-current tax assets.

(iii) One customer accounted for ₹5565.91 lakhs which was more than 10% of total revenue of the Company during the year ended March 31, 2024.

**37 Gratuity and other post-employment benefit plans**

INR in Lakhs

Particulars	31-Mar-24	31-Mar-23
Defined benefit plan	132.71	119.85
Non-current	101.57	92.39
Current	31.14	27.46

Employees are entitled to a benefit equivalent to fifteen days' last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972 subject to a maximum of INR 20 Lakhs. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company has not funded the liability as on March 31, 2024.

Following figures are as per the actuarial valuation carried out by an independent actuary as at the Balance Sheet date:

**Changes in the projected benefit obligation and fair value of plan assets:**

INR in Lakhs

	31-Mar-24	31-Mar-23
<b>Change in projected benefit obligation</b>		
Obligation at beginning of the year	119.85	-
Past Service cost	-	-
Interest cost	8.04	-
Current Service cost	15.07	119.85
Benefits directly paid	(3.69)	(10.14)
Liability transfer	-	-
Actuarial (gain)/loss (through OCI)	-	-
Obligation at end of the year	<b>132.71</b>	<b>109.70</b>
<b>Re-measurement (gains)/ losses in OCI</b>		
Obligation at beginning of the year	-	-
Actuarial (gain)/ loss due to financial assumption changes	2.37	3.69
Actuarial (gain)/ loss due to experience adjustments	(8.93)	6.45
<b>Total expenses routed through OCI</b>	<b>(6.56)</b>	<b>10.14</b>
Present Value of Obligation at end of year	<b>132.71</b>	<b>119.85</b>
<b>Expenses recognised in statement of profit and loss</b>		
Current Service cost	8.51	119.85
Interest cost (net)	8.04	-
Gratuity cost	16.55	119.85
<b>Net gratuity cost</b>	<b>16.55</b>	<b>119.85</b>
<b>Bifurcation of Net Liability</b>		
Current Liability	31.14	27.46
Non-Current Liability (Long Term)	101.57	92.39
<b>Total Liability</b>	<b>132.71</b>	<b>119.85</b>
<b>Actuarial Assumptions</b>		
<b>Principal Financial Assumptions</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Discount rate	7.20%	7.45%
Future salary increases	7.00%	7.00%
<b>Demographic Assumptions</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Mortality Rate	The Indian Assured Lives Mortality (2012-14)	The Indian Assured Lives Mortality (2012-14)

**Summary of Membership data**

	31-Mar-24	31-Mar-23
No of employees	123	98
Total monthly salary	₹ 34,92,005.00	₹ 29,35,317.00
Average monthly salary	₹ 28,390.00	₹ 29,956.00
Average Age	34.91	35.37
Average Past Service	5.38	5.97

**Notes:**

a) Plan characteristics and associated risks:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

Discount rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overlook withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.





**38 Earnings per share ['EPS']**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible debentures) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	INR in Lakhs	
	31-Mar-24	31-Mar-23
Profit / (Loss) attributable to equity shareholders	(2,240.21)	(1,399.41)
Effect of dilution	-	-
Profit / (Loss) attributable to equity holders adjusted for the effect of dilution	(2,240.21)	(1,399.41)
Weighted average number of equity shares for basic and diluted EPS (No.) *	22.06	22.06
Effect of dilution	10.35	10.35
Weighted average number of equity shares adjusted for the effect of dilution (No.)	32.41	32.41
<b>EPS (Basic)</b>	<b>(101.57)</b>	<b>(63.45)</b>
<b>EPS (Diluted)</b>	<b>(69.13)</b>	<b>(43.18)</b>

**39 Contingent liabilities and commitments**

In the ordinary course of business, the Company faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its Consolidated Ind AS Financial Statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the Ind AS Financial Statements but does not record a liability in its accounts unless the loss becomes probable.

Also refer note 9 with regard to fraud / misappropriation of earnest money deposit and Note 21 with regard to lease liability.

The financial statements have been prepared on a going concern basis. The company has incurred losses during the year and its net worth is negative as at the balance sheet date. However, the holding company has issued a letter of financial support, confirming its intention to provide the necessary funding to enable the company to meet its liabilities as and when they fall due. Based on this commitment, the management is confident that the company will continue to operate in the foreseeable future.

**40 Corporate Social Responsibility**

The company is not obligated to establish a Corporate Social Responsibility (CSR) Committee, as specified in Section 135 of the Companies Act, 2013. Consequently, the company has not established such a committee.



**41 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Company consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**Gearing ratio**

The gearing ratio at the end of the reporting period was as follows:

	INR in Lakhs	
	31-Mar-24	31-Mar-23
Borrowings	10,015.59	4,589.78
Less: Cash and Bank balances (refer note 17 & 18)	190.71	238.79
<b>Net debt</b>	<b>9,824.88</b>	<b>4,350.99</b>
Equity share capital (refer note 19)	220.56	220.56
Instruments entirely equity in nature (refer note 20)	151.49	151.49
Other equity (refer note 21)	(1,486.32)	796.03
<b>Total Equity</b>	<b>(1,114.27)</b>	<b>1,168.08</b>
<b>Capital and net debt</b>	<b>8,710.61</b>	<b>5,519.08</b>
<b>Gearing ratio</b>	<b>112.79%</b>	<b>78.84%</b>

The company net worth has eroded due to recurring losses and currently dependent upon borrowed fund for its operations





**PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED**

**No.249, Ground Floor, Front Building 4th Main Road, Chamrajpet, Bangalore-560 018**

**CIN : U72900KA2003PTC032831**

**Notes forming part of the financial statements for period ended 31st March 2024**

**42 FINANCIAL RISK MANAGEMENT**

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on the appropriate financial risk governance framework for the Company. The Company's financial risk activities are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks in order to secure long term and short term cash flows, which are summarised below.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

**(i) Management of 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 interest rates. Interest rate risk arises on interest-bearing financial instruments recognised in the balance sheet (eg loans and receivables and debt instruments issued) and on some financial instruments not recognised in the balance sheet (eg some loan commitments). The Company does not have any exposure to interest rate risks since it has no borrowings and all the investments in fixed deposits are fixed rate instruments.

**(ii) Management of other price risk:**

Other price risk arises on financial instruments because of changes in commodity prices or equity prices i.e. stock market index, commodity price, or other risk variable. The Company does not have exposure to other price risk arising from investments in equity shares (Unquoted) held by the Company and classified in the balance sheet at fair value through profit and loss.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no foreign currency payables or receivables and is therefore not exposed to foreign exchange risk.



**42 FINANCIAL RISK MANAGEMENT (Contd.)**

**B. MANAGEMENT OF CREDIT RISK:**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counter-party;
- iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability;
- iv) Significant increase in credit risk on other financial instruments of the same counter-party; and
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Group measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The Group limits its exposure to credit risk of balances held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus in bank accounts.

The Group recognises expected credit loss based on the following:

Description of category	Category	Basis of recognition of expected credit loss provision	
Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Standard assets with moderate credit risk	Loans, deposits and other receivables	Trade receivables
Assets where there is significant increase in credit risk and high probability of default.	Substandard assets with high credit risk	Life time expected credit losses	Life time expected credit losses (simplified approach)
Assets are written off when there is no reasonable expectation of recovery. As and when recoveries are made these are recognised in profit and loss	Doubtful assets, credit impaired	Asset is written off	

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity recognises impairment loss allowance based on 12-month ECL.

The movement in ECL in respect of trade receivables & Security Deposits is as follows:

**Note:**

Management is in view of providing Expected credit loss at a rate of 2% on balances outstanding of trade receivables from 6 months to 1 year old whereas at a rate of 3% for balances outstanding more than 1 year as at each reporting period. The debtors in general settles within such credit period and hence given impact represent fair presentation of accounts.

Particulars	Mar-24	Mar-23
Gross carrying amount (Trade Receivables & Security deposits)	6,545.40	1,573.03
Provision for doubtful receivables (Expected credit loss)	26.34	22.01
Balance at the end of the year	6,519.06	1,551.02





**42 FINANCIAL RISK MANAGEMENT (Contd.)**

**C. MANAGEMENT OF 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 Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserves borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company's principal sources of liquidity are cash and cash equivalents, Fixed deposits and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

INR in Lakhs						
March 31, 2024	Carrying amount	Contractual cash flows				
		Total	Less than 1 Year	Years 1-3	Years 3-5	Above 5 Years
<b>Non-derivative financial liabilities</b>						
Borrowings	10,015.59	10,015.59	10,015.59	-	-	-
Lease Liability	196.46	196.46	52.03	144.44	-	-
Trade payables	657.90	657.90	657.90	-	-	-
Other Financial Liabilities	1,529.04	1,529.04	1,529.04	-	-	-

INR in Lakhs						
March 31, 2023	Carrying amount	Contractual cash flows				
		Total	Less than 1 Year	Years 1-3	Years 3-5	Above 5 Years
<b>Non-derivative financial liabilities</b>						
Borrowings	4,589.78	4,589.78	4,589.78	-	-	-
Lease Liability	237.85	237.85	43.98	193.87	-	-
Trade payables	222.54	222.54	222.54	-	-	-
Other Financial Liabilities	1,326.32	1,326.32	1,326.32	-	-	-



**43 Fair value measurements**

**A. Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The carrying value of financial instruments by categories is as follows:

Particulars	March 31, 2024				March 31, 2023			
	At Cost	Fair value through profit or loss	Fair value through OCI	At Amortised Cost	At Cost	Fair value through profit or loss	Fair value through OCI	At Amortised Cost
<b>Financial assets</b>								
Investments	0.23	-	-	0.23	0.23	-	-	0.23
Trade receivables	6,519.06	-	-	6,519.06	1,551.02	-	-	1,551.02
Loans	7.08	-	-	7.08	212.26	-	-	212.26
Cash and cash equivalents	2.75	-	-	2.75	61.37	-	-	61.37
Bank balance other than cash and cash equivalents	187.96	-	-	187.96	177.42	-	-	177.42
Other financial assets	751.16	-	-	751.16	1,373.78	-	-	1,373.78
<b>Total</b>	<b>7,468.25</b>	<b>-</b>	<b>-</b>	<b>7,468.25</b>	<b>3,376.07</b>	<b>-</b>	<b>-</b>	<b>3,376.07</b>
<b>Financial liabilities</b>								
Borrowings	10,015.59	-	-	10,015.59	4,589.78	-	-	4,589.78
Trade payables	657.90	-	-	657.90	222.54	-	-	222.54
Other financial liabilities	1,529.04	-	-	1,529.04	1,326.32	-	-	1,326.32
<b>Total</b>	<b>12,203</b>	<b>-</b>	<b>-</b>	<b>12,202.53</b>	<b>6,139</b>	<b>-</b>	<b>-</b>	<b>6,138.65</b>

**Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Particulars	March 31, 2024				March 31, 2023			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial assets</b>								
<i>Measured at cost/amortised cost/fair value through profit and loss</i>								
Investments at cost	0.23	-	-	0.23	0.23	-	-	0.23
Trade receivables	6,519.06	-	-	6,519.06	1,551.02	-	-	1,551.02
Loans	7.08	-	-	7.08	212.26	-	-	212.26
Cash and cash equivalents	2.75	-	-	2.75	61.37	-	-	61.37
Bank balance other than cash and cash equivalents	187.96	-	-	187.96	177.42	-	-	177.42
Other financial assets	751.16	-	-	751.16	1,373.78	-	-	1,373.78
	<b>7,468.25</b>	<b>-</b>	<b>-</b>	<b>7,468.25</b>	<b>3,376.07</b>	<b>-</b>	<b>-</b>	<b>3,376.07</b>
<b>Financial liabilities</b>								
<i>Measured at amortised cost</i>								
Borrowings	10,015.59	-	-	10,015.59	4,589.78	-	-	4,589.78
Trade payables	657.90	-	-	657.90	222.54	-	-	222.54
Other financial liabilities	1,529.04	-	-	1,529.04	1,326.32	-	-	1,326.32
	<b>12,202.53</b>	<b>-</b>	<b>-</b>	<b>12,202.53</b>	<b>6,138.65</b>	<b>-</b>	<b>-</b>	<b>6,138.65</b>

**Notes:**

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.  
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.  
Level 3 inputs are unobservable inputs for the asset or liability.

**B. Measurement of fair values**

**i. Specific valuation techniques used to value financial instruments include:**

- the use of quoted market prices or dealer quotes for similar instruments
- the carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

ii. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

iii. The borrowing rate of the Company has been taken as the discount rate used for determination of fair value.

iv. There have been no transfers between the levels during the period.





**44 Share Based Payments**

The Company has no active Employee Stock Options Scheme at BS date and hence, no impact has been given in financial statement under IND AS 102 "Share Based

**45 Standards issued but not effective**

There were no standards issued but not effective at the time of issuance of the Company's financial statements, hence the disclosure is not applicable.

**46 Significant event after the reporting period**

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

**47 Code of Social Security**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**48 Ratio Analysis**

Ratio	March 31, 2024	March 31, 2023	% Change (Mar-24- Mar-23)
Current ratio	0.84	1.03	-18.97%
Debt- Equity Ratio	(8.99)	3.93	-328.75%
Debt Service Coverage ratio	(0.22)	(0.30)	-26.10%
Return on Equity ratio	(83.23)	(2.20)	3691.10%
Inventory Turnover ratio	3.51	1.13	210.13%
Trade Receivable Turnover Ratio	2.12	1.56	36.18%
Trade Payable Turnover Ratio	16.03	4.60	248.18%
Net Capital Turnover Ratio*	(2.84)	(3.17)	-10.43%
Net Profit ratio	(0.26)	(0.48)	-45.59%
Return on Capital Employed	(0.09)	(0.25)	-64.86%
Return on Investment	0.44	0.21	108.67%

Note: The Company is at the stage of reviving its operations and is expanding its customer base. Inorder to improve the Companies operations, growth and profitability, the Company has obtained debt and incurred expenses to meet its growing demands and forseeing the prospective scale of operations. Hence the ratios has been affected

**48.1 Formula for computation of ratios are as follows:**

Ratio	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities
Debt- Equity Ratio	Total Debt	Shareholder's Equity
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity
Inventory Turnover ratio	Cost of goods sold	Average Inventory
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables
Net Capital Turnover Ratio*	Net sales = Total sales - sales return	Working capital = Current assets - Current
Net Profit ratio	Net Profit	Net sales = Total sales - sales return
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
Return on Investment	Interest (Finance Income)	Investment

**49 Other Statutory Information**

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45of 1988).
- The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- The Company do not have any transactions with Crypto Currency or Virtual Currency where the Company has traded or invested in Crypto Currency or Virtual Currency during the year.
- The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

**50 Prior year comparatives**

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current years classification.

**51 Approval of Financial Statements**

The financial statements were approved for issue by the Board of Directors on 28-09-2024.

As per our report of even date

For M/s Nagar & Navada  
 Chartered Accountants  
 ICAI Firm registration number: 0158332S

Sandhya P Nagar  
 Partner  
 Membership No.: 229158

Place: Bangalore  
 Date: 28-09-2024

For and on behalf of the Board of Directors of  
 PROGNOSYS MEDICAL SYSTEMS PRIVATE LIMITED  
 CIN : U72900KA2003PTC032831

V. Krishna Prasad  
 Managing Director  
 DIN: 00502320

Place: Bangalore  
 Date: 28-09-2024

Pranishad Ashok  
 Director  
 DIN: 00488407

Place: Bangalore  
 Date: 28-09-2024