

INDEPENDENT AUDITOR'S REPORT

To the Members of Kids Clinic India Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Kids Clinic India Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 2.4 to the accompanying Standalone Financial Statements, which describes the management's evaluation of Covid-19 impact on the future business operations and future cash flows of the Company. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve.

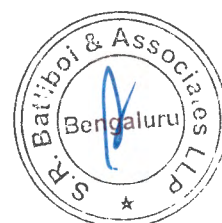
Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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



Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 30(b) to the Standalone Financial Statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any provision for material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sudhir Kumar Jain

Partner

Membership Number: 213157

UDIN: 21213157AAAAAZ9752



Place: Bengaluru

Date: July 27, 2021

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KIDS CLINIC INDIA PRIVATE LIMITED

Report on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All property plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noted on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are pledged with the banks aggregating to cost of Rs. 600 lakhs and not available with the Company. The same has not been independently confirmed by the bank and hence we are unable to comment on the same.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to health services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, goods and service tax, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount disputed (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Financial Year to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	86	86	2010-11	Additional Commissioner of Income Tax
Finance Act, 1994	Service Tax	48	2	2015-17	Commissioner of Central Taxes (Appeals-I)
Haryana Value Added Tax Act, 2003	Value Added Tax	2	-	2015-16	Joint Excise and Taxation Commissioner (Appeals)

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a bank or financial institution. The Company did not have any loans or borrowings from government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which the loan was obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Sudhir Kumar Jain**

Partner

Membership Number: 213157

UDIN: 21213157AAAAAZ9752



Place: Bengaluru

Date: July 27, 2021

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KIDS CLINIC INDIA PRIVATE LIMITED

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Kids Clinic India Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Inherent Limitations of Internal Financial Controls with reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these Standalone Financial Statements and such internal financial controls with reference to these Standalone Financial Statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Sudhir Kumar Jain**

Partner

Membership Number: 213157



UDIN: 21213157AAAAAZ9752

Place: Bengaluru

Date: July 27, 2021

Kids Clinic India Private Limited
Standalone Balance Sheet as at March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Notes	March 31, 2021 ₹	March 31, 2020 ₹	
ASSETS			
Non-current assets			
Property, plant and equipment	3	63,616.75	51,255.02
Capital work-in-progress	4	131.23	957.09
Intangible assets	5	152.92	211.86
Intangible assets under development	6	-	-
Financial assets			
Investments	7	65.00	65.00
Loans	8	2,227.80	1,828.86
Other non-current financial assets	9	1,081.58	1,081.68
Deferred tax assets (net)	21	4,239.63	4,239.63
Other non-current assets	10	484.18	457.17
Assets for current tax (net)		835.53	859.37
		72,834.62	60,955.68
Current assets			
Inventories	11	752.81	1,124.26
Financial assets			
Investments	7	604.75	150.59
Loans	8	24.66	33.72
Trade receivables	12	900.52	978.25
Cash and cash equivalents	13	506.80	288.41
Other current financial assets	9	293.67	339.38
Other current assets	10	365.03	327.80
Assets for current tax (net)		-	1,055.21
		3,448.24	4,297.62
Total assets		76,282.86	65,253.30
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	661.86	659.39
Instruments entirely equity in nature	14	6,738.41	6,738.41
Other equity	15	12,094.76	15,491.34
		19,495.03	22,889.14
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	16	3,504.45	3,539.56
Other non-current financial liabilities	17	41,282.69	28,161.33
		44,787.14	31,700.89
Current Liabilities			
Financial liabilities			
Borrowings	16	128.85	621.94
Trade payables	18		
-Total outstanding dues of micro enterprises and small enterprises		8.77	14.03
-Total outstanding dues of creditors other than micro enterprises and small enterprises		4,644.85	3,925.76
Other current financial liabilities	17	4,757.22	3,980.53
Other current liabilities	19	1,156.75	1,080.57
Short term provisions	20	1,304.25	1,040.44
		12,000.69	10,663.27
Total equity and liabilities		76,282.86	65,253.30
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Sudhir Kumar Jain**
Partner
Membership no.: 213157



For and on behalf of the board of directors of
Kids Clinic India Private Limited

Raviganesh Venkataraman
Chief Executive Officer & Director
DIN No: 07336611

Madhusudhan P
Company Secretary

Place: Bengaluru
Date: July 27, 2021

Rohit MA
Managing Director
DIN No: 02501034

Sandeep Bardia
Chief Financial Officer



Place: Bengaluru
Date: July 27, 2021

Kids Clinic India Private Limited
 Standalone Statement of Profit and Loss for the year ended March 31, 2021
 (All amounts in Indian Rupees Lakhs, except as otherwise stated)


	Notes	March 31, 2021 ₹	March 31, 2020 ₹
Income			
Revenue from operations	22	54,460.00	51,259.31
Other income	23	1,256.22	966.78
Total income (i)		55,716.22	52,226.09
Expenses			
Cost of materials consumed	24	6,999.42	6,478.34
Employee benefits expense	25	10,990.76	9,938.01
Depreciation and amortization expense	26	7,825.19	7,332.25
Finance costs	27	4,819.83	4,751.91
Other expenses	28	29,024.36	27,767.90
Total expenses (ii)		59,659.56	56,268.41
Profit/(Loss) before tax (iii) = (i) - (ii)		(3,943.34)	(4,042.32)
Tax expense			
Current tax	21	-	-
Deferred tax		(4.01)	(688.97)
Total tax expense (iv)		(4.01)	(688.97)
Profit/(Loss) for the year (v) = (iii) - (iv)		(3,939.33)	(3,353.35)
Other comprehensive income			
Items not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans		13.76	(26.49)
Income tax relating to above		(4.01)	7.71
Other comprehensive income ('OCI') (vi)		9.75	(18.78)
Total comprehensive income for the year (vii) = (v) + (vi) (comprising Profit/(Loss) and OCI for the year)		(3,929.58)	(3,372.13)
Earnings/ (Loss) per equity share			
[nominal value of share ₹ 10 (March 31, 2020: ₹ 10)]	29		
Basic and diluted (₹ per share)		(18.61)	(15.84)

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date


For S.R. Batliboi & Associates LLP
 Chartered Accountants
 ICAI Firm registration number: 101049W/E300004


 per Sudhir Kumar Jain
 Partner
 Membership no.: 213157



For and on behalf of the board of directors of
 Kids Clinic India Private Limited


 Raviganesh Venkataraman
 Chief Executive Officer & Director
 DIN No: 07336611


 Madhusudhan P
 Company Secretary


 Rohit MA
 Managing Director
 DIN No: 02501034


 Sandeep Bardia
 Chief Financial Officer

Place: Bengaluru
 Date: July 27, 2021

Place: Bengaluru
 Date: July 27, 2021



Kids Clinic India Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Notes	No. in Lakhs	Amount in Lakhs ₹
14		
A. Equity share capital:		
Issued, subscribed and paid-up share capital		
Equity shares of ₹ 10 each:		
As at April 01, 2019	65.94	659.39
Changes during the year	-	-
As at March 31, 2020	65.94	659.39
Issued during the year	2.47	2.47
As at March 31, 2021	68.41	661.86

Notes	No. in Lakhs	Amount in Lakhs ₹
14		
B. Instruments entirely equity in nature:		
Non-cumulative compulsorily convertible preference shares ('NCCCPS')		
As at April 01, 2019	146.44	6,738.41
Changes during year	-	-
As at March 31, 2020	146.44	6,738.41
Changes during year	-	-
As at March 31, 2021	146.44	6,738.41

Notes	Other contributions by owners	Reserves and surplus				Total
		Share based payment	General reserve	Securities premium	Retained earnings	
15						
As at April 01, 2019	-	278.36	3.68	41,355.46	(22,882.94)	18,754.56
Profit/(Loss) for the year	-	-	-	-	(3,353.35)	(3,353.35)
Other comprehensive income	-	-	-	-	(18.78)	(18.78)
Total comprehensive income for the year	-	-	-	-	(3,372.13)	(3,372.13)
Compensation expense for share options granted during the year	-	108.91	-	-	-	108.91
Share options lapsed during the year	-	-	-	-	-	-
As at March 31, 2020	-	387.27	3.68	41,355.46	(26,255.07)	15,491.34
Profit/(Loss) for the year	-	-	-	-	(3,939.33)	(3,939.33)
Other comprehensive income	-	-	-	-	9.75	9.75
Total comprehensive income for the year	-	-	-	-	(3,929.58)	(3,929.58)
Other contribution by owners (refer note 15)	424.63	-	-	-	-	424.63
Compensation expense for share options granted during the year	-	108.37	-	-	-	108.37
Share options lapsed during the year	-	(32.97)	32.97	-	-	-
As at March 31, 2021	424.63	462.67	36.65	41,355.46	(30,184.65)	12,094.76

Summary of significant accounting policies

2.2

The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership no.: 213157



Place: Bengaluru
Date: July 27, 2021

For and on behalf of the board of directors of
Kids Clinic India Private Limited

Ravigamesh Venkataraman
Chief Executive Officer & Director
DIN No: 07336611

Madhusudhan P
Company Secretary

Place: Bengaluru
Date: July 27, 2021

Rohit MA
Managing Director
DIN No: 02501034

Sandeep Bardia
Chief Financial Officer



Kids Clinic India Private Limited
Standalone Cash flow statement for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Notes	March 31, 2021 ₹	March 31, 2020 ₹
Cash flows from operating activities		
Profit/(Loss) before tax	(3,943.34)	(4,042.32)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortization expense	7,825.19	7,332.25
Finance costs	4,819.83	4,751.91
Interest income on Bank Deposits	(57.97)	(65.52)
Interest income on Income tax refund	(97.79)	-
Interest income on Other Financial assets at amortised cost	(155.07)	(106.00)
Liabilities no longer required written back	(149.61)	(173.40)
Net gain on sale of current investments	(17.87)	(71.65)
Fair value gain on investments at fair value through profit or loss	(4.21)	(0.57)
Loss/ (Profit) on sale of property, plant & equipment	29.02	(19.36)
Rent concessions	(428.05)	-
Share based payments expense	108.37	108.91
Provision for doubtful debts	62.76	100.38
Bad debts written off	6.17	2.74
Capital work in progress written off	-	210.00
Operating profit/(loss) before working capital changes	7,997.43	8,027.37
Movements in working capital :		
Increase in trade payables	1,138.46	1,106.48
Increase in other financial liabilities	96.79	1.85
Increase in other liabilities	225.79	65.49
Increase in provisions	277.57	171.05
Decrease/ (increase) in trade receivables	8.80	(418.03)
Decrease/ (increase) in inventories	371.45	(555.69)
(Increase) in loans	(234.81)	(252.11)
Decrease in other financial assets	45.71	23.08
Decrease/(increase) in other assets	(47.73)	90.44
Cash flow from/(used in) operations	9,879.46	8,259.93
Direct taxes (paid) /refunds, net	1,079.05	(356.56)
Net cash flow from/(used in) operating activities (A)	10,958.51	7,903.37
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work in progress, intangible assets under development and capital advances)	(3,501.80)	(2,783.88)
Proceeds from sale of property, plant and equipment	-	34.43
Purchase of investments in mutual funds	(8,151.62)	(7,749.96)
Proceeds from sale of investments in mutual funds	7,719.54	9,392.15
Investments in bank deposits	(1,046.65)	(821.88)
Redemption of bank deposits	1,006.42	-
Interest received	194.62	-
Net cash flows (used in)/from investing activities (B)	(3,779.49)	(1,929.14)
Cash flows from financing activities		
Proceeds from issuance of share capital	2.47	-
Proceeds from non-current borrowings	914.00	1,075.00
Repayment of non-current borrowings	(1,065.01)	(1,114.68)
Payment of principal portion of lease liabilities	(1,968.18)	(1,809.69)
Payment of interest portion of lease liabilities	(3,500.08)	(3,749.42)
Finance costs paid (other than interest portion of lease liabilities)	(850.74)	(983.40)
Net cash flows (used in)/from financing activities (C)	(6,467.54)	(6,582.19)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	711.48	(607.96)
Cash and cash equivalents at the beginning of the year	(333.53)	274.43
Cash and cash equivalents at the end of the year	377.95	(333.53)
Components of cash and cash equivalents		
Balances with banks: - in current accounts	13 460.22	259.32
Cash on hand	13 46.58	29.09
Less: Bank overdraft	16 (128.85)	(621.94)
Cash and cash equivalents reported in cash flow statement	377.95	(333.53)
Summary of significant accounting policies	2.2	
Changes in liabilities arising from financing activities	13	
The accompanying notes are an integral part of the Standalone financial statements.		

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Sudhir Kumar Jain**
 Partner
 Membership no.: 213157



Place: Bengaluru
 Date: July 27, 2021

For and on behalf of the board of directors of
Kids Clinic India Private Limited

Ravignesh Venkataraman
 Chief Executive Officer & Director
 DIN No: 0336611

Madhusudhan P
 Company Secretary
 Place: Bengaluru
 Date: July 27, 2021

Robit MA
 Managing Director
 DIN No: 02501034

Sandeep Bardia
 Chief Financial Officer



1. Corporate information

Kids Clinic India Private Limited (‘the Company’) is domiciled in India and incorporated on December 15, 2005, under the provisions of the Companies Act, 1956. The Company is engaged in providing services in the field of maternal, child and other related health care services.

The Standalone Financial Statements were authorized for issue in accordance with a resolution of the directors on July 27, 2021.

2. Basis of preparation

The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The standalone financial statements are presented in Indian Rupees (‘INR’) and all values are rounded to the nearest lakhs upto two decimals, except when otherwise indicated.

2.1 Changes in Accounting policies and disclosures

Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the financial statements.

Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020.

Pursuant to the above amendment, the Company has applied the practical expedient during the year ended March 31, 2021 in respect of concessions on rentals on account of COVID-19. Also refer note 33.

2.2 Summary of significant accounting policies

(a) Use of estimates

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

In the process of applying the accounting policies, management makes various judgements, which have significant effect on the amounts recognized in the financial statements. The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(b) 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:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- 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:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as one year and accordingly has reclassified its assets and liabilities into current and non-current.

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



(c) Property, plant and equipment and capital work in progress

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

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

(d) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight line method, based on the following useful lives as estimated by the management in accordance with Schedule II of the Companies Act, 2013. The identified components of the assets are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has used the following useful life to provide depreciation on its property, plant and equipment.

Category of Assets	Useful life (years)
Buildings	60
Plant and machinery:	
Medical equipments & accessories	13
Other plant & machinery	15
Electrical installations and equipment	10
Office equipment	5
Furniture & fittings	10
Computers:	
End user devices	3
Servers and networks	6
Vehicles	8

Leasehold improvements/Buildings are amortized on a straight line basis over the remaining period of the lease or estimated useful life of the assets, whichever is lower.

The Company has recognised 5% of cost of assets as residual value of such assets.

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

(e) Intangible assets and intangible assets under development

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

Intangible assets comprising of computer software are amortized on a straight line basis over a period of five years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an intangible asset 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 asset is derecognized.

Development costs incurred on internally generated intangible assets, not ready for use are capitalized as intangible assets under development.

(f) Leases

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

Where the Company is lessee

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



- **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies stated under "Impairment".

- **Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

- **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(g) Borrowing costs

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

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

(h) Impairment

A. Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired and measures the required expected credit losses through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B. Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

(i) Inventories

Inventories of pharmacy goods are valued at lower of cost and net realisable value.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First In First Out (FIFO) basis.

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



(j) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer.

Goods and services tax is not received by the Company on its own account. Rather, it is tax collected on value added to the product/service by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Sale of services

Revenue from rendering of services are recognised over the period on accrual basis as per the arrangement with the customers.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on dispatch of the goods.

Contract balances

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Unbilled revenue included in other current financial assets represents revenue earned but not billed as at the reporting date.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date. Dividend income is included under the head "other income" in the statement of profit and loss.

(k) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

(i) Initial recognition

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

(ii) Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(iii) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the period in which they arise.

(l) Retirement and other employee benefits

Defined contribution scheme

Retirement benefits in the form 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 as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Defined benefit scheme

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the project unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.



(m) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, 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 utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(n) Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares (including equity shares to be issued upon conversion of a mandatorily convertible instrument) outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(o) Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

(q) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

ii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.



iii. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Equity investment in subsidiaries.

Investment in subsidiaries are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below:

vii. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

viii. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR 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.

ix. De-recognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value 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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management.

(s) Share based payment

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and the cost is recognized, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(t) Segment accounting policies

The Company operates in one business and geographical segment i.e., healthcare services in India. Hence, there are no additional disclosures to be provided under Ind-AS 108 Segment information with respect to the single reportable segment, other than those already provided in financial statements.



2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management makes judgment, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements.

The key judgment, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgments and assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. Also refer note 2.4 below regarding impact of Covid-19 pandemic.

Significant accounting judgements, estimates and assumptions used by management are as below:

Revenue from contracts with customers

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients. Revenue from hospital services are recognized as and when services are performed, unless significant future uncertainties exist. The Company assess the distinct performance obligation in the contract and measures to at an amount that reflects the consideration it expects to receive net of tax collected and remitted to Government and adjusted for discounts and concession. The Company based on contractual terms and past experience determines the performance obligation satisfaction over time.

Unbilled revenue is recorded for the service rendered where the patients are not discharged and final invoice is not raised for the services.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

Defined benefit schemes

The cost of the defined benefit plan and the present value of the defined benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Measurement of financial instruments at amortized cost

Financial instrument are subsequently measured at amortized cost using the effective interest ('EIR') method. The computation of amortized cost is sensitive to the inputs to EIR including effective rate of interest, contractual cash flows and the expected life of the financial instrument. Changes in assumptions about these inputs could affect the reported value of financial instruments.

Useful life and residual value of property, plant and equipment and intangible assets

The useful life and residual value of property, plant and equipment and intangible assets are determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgments involved in such estimates the useful life and residual value are sensitive to the actual usage in future period.

Provision for litigations and contingencies

Provision for litigations and contingencies is determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgments around estimates the ultimate outcome of such past events and measurement of the obligation amount. Due to judgments involved in such estimation the provision is sensitive to the actual outcome in future periods.

Deferred tax assets

The Company has recognized deferred tax asset to the extent of unabsorbed depreciation carried forward since these losses can be carried forward for indefinite period and there is reasonable certainty that the Company would generate future profits from its operations. Basis the management's evaluation, the Company's business projections provide reasonable evidence that there would be taxable profits generated by the Company in future to utilise the deferred tax assets being carried in the books as at the balance sheet date and accordingly deferred tax asset on unabsorbed depreciation has been recognised.

Determining the lease term of contracts – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.



2.4 Covid-19 Pandemic

The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. Due to Covid-19 pandemic, the Company's operations were impacted during the current year and accordingly the standalone financial statements for the year ended March 31, 2021 are adversely impacted and not fully comparable with those of the earlier year.

The Company has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets including property, plant and equipment, intangible assets, investments, receivables and deferred tax assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of the approval of these standalone financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021 are fully recoverable.

Further, during the year ended March 31, 2021, the Company has incurred loss of ₹ 3,929.58 lakhs (March 31, 2020: ₹ 3,372.13 lakhs) and has accumulated losses of ₹ 30,184.65 lakhs as at March 31, 2021 (March 31, 2020: ₹ 26,255.07 lakhs). The Company is in the stabilisation phase and its ability to continue as a going concern is based on establishing profitable operations and obtaining continuing financial support from its investors. The management has also taken various cost and profit optimization initiatives in the succeeding financial year, which will further improve operating cash flows and generate operating profit in the future. Further, the Company also has unutilised credit limit against its existing borrowings and also has total equity of ₹ 19,495.03 lakhs as at March 31, 2021 (March 31, 2020: ₹ 22,889.14 lakhs).

The Company's management has also estimated the future cash flows for the Company with the possible effects that may result from the Covid-19 pandemic and does not foresee any adverse impact in realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these standalone financial statements.



3 Property, plant and equipment

	Land	Leasehold buildings	Leasehold improvements ('L.HI')	Medical equipment & accessory	Other plant & machinery	Electrical installation and equipment	Office equipment	Furniture & fittings	Computers	Vehicles	Right of use assets	Total
₹												
Cost *												
At April 01, 2019	600.00	1,670.50	16,315.12	7,287.51	3,694.58	1,342.21	1,108.94	1,201.30	505.33	304.24	-	34,029.73
Ind AS 116 transition adjustment (note 33)	-	-	-	-	-	-	-	-	-	-	31,688.07	31,688.07
Additions	-	-	166.15	363.78	40.28	27.40	70.89	21.40	48.44	138.79	140.06	1,017.18
Disposals	-	-	(39.36)	(20.29)	-	-	(6.80)	-	-	(128.07)	-	(194.52)
At March 31, 2020	600.00	1,670.50	16,441.91	7,631.00	3,734.86	1,369.61	1,173.03	1,222.70	553.77	314.96	31,828.13	66,540.46
Additions	-	-	960.43	961.89	271.49	230.06	286.51	199.11	72.76	61.57	17,104.20	20,148.02
Disposals	-	-	(7.84)	(93.19)	(9.86)	-	(25.20)	(50.74)	(19.69)	(2.65)	-	(209.17)
At March 31, 2021	600.00	1,670.50	17,394.50	8,499.70	3,996.49	1,599.67	1,434.34	1,371.07	606.84	373.88	48,932.33	86,479.31
Depreciation												
At April 01, 2019	-	312.22	3,849.01	1,650.70	661.17	385.52	517.43	354.71	352.19	116.28	-	8,199.23
Charge for the year	-	104.39	1,691.91	572.68	249.62	121.15	209.93	126.94	97.24	44.81	4,046.98	7,265.66
Disposals	-	-	(39.36)	(15.98)	-	-	(6.80)	-	-	(117.31)	-	(179.45)
At March 31, 2020	-	416.61	5,501.56	2,207.40	910.79	506.67	720.56	481.65	449.43	43.78	4,046.98	15,285.44
Charge for the year	-	104.42	1,732.38	619.13	266.18	139.18	219.84	147.42	80.56	54.77	4,393.39	7,757.27
Disposals	-	-	(6.85)	(77.66)	(5.57)	-	(23.36)	(44.39)	(19.67)	(2.65)	-	(180.15)
At March 31, 2021	-	521.03	7,227.09	2,748.87	1,171.40	645.85	917.04	584.68	510.32	95.90	8,440.37	22,862.56
Net book value												
At March 31, 2020	600.00	1,253.89	10,940.35	5,423.60	2,824.07	862.94	452.47	741.05	104.34	271.18	27,781.15	51,255.02
At March 31, 2021	600.00	1,149.47	10,167.41	5,750.83	2,825.09	953.82	517.30	786.39	96.52	277.98	40,491.96	63,616.75

* On transition to Ind AS (i.e. April 01, 2015), 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.

Note: Refer Note 16 for details of property, plant and equipment pledged as security for borrowings.

4 Capital work in progress

	March 31, 2021	March 31, 2020
	₹	₹
Opening balance	957.09	-
Add: Additions during the year	1,621.16	1,167.09
Less: Capitalised during the year	(2,447.02)	-
Less: Written off during the year	-	(210.00)
Closing balance	131.23	957.09



5 Intangible assets	₹	
	Computer Software	Total
Cost*		
As At April 01, 2019	226.95	226.95
Additions	161.94	161.94
As At March 31, 2020	388.89	388.89
Additions	8.98	8.98
Disposals	(7.02)	(7.02)
As At March 31, 2021	390.85	390.85
Amortization		
As At April 01, 2019	110.44	110.44
Charge for the year	66.59	66.59
As At March 31, 2020	177.03	177.03
Charge for the year	67.92	67.92
Disposals	(7.02)	(7.02)
As At March 31, 2021	237.93	237.93
Net book value		
As At March 31, 2020	211.86	211.86
As At March 31, 2021	152.92	152.92

* On transition to Ind AS (i.e. April 01, 2015), the Company has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

6 Intangible assets under development	March 31, 2021	March 31, 2020
	₹	₹
Opening balance	-	112.31
Add: Additions during the year	-	31.79
Less: Capitalised during the year	-	(144.10)
Closing balance	-	-

7 Investments	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	₹	₹	₹	₹
A. Investments at fair value through profit or loss				
<i>Investment in Mutual Funds</i>				
SBI Magnum Low Duration Fund - Regular Growth 7,368.06 units of ₹ 2,750.39 each (March 31, 2020 : Nil)	-	-	202.65	-
ICICI Prudential Savings Fund - Growth 48,218.36 units of ₹ 416.00 each (March 31, 2020 : Nil)	-	-	200.59	-
ICICI Prudential Ultra Short Term Fund - Growth 9,34,371.162 units of ₹ 21.5663 each (March 31, 2020 : Nil)	-	-	201.51	-
Tata Liquid Fund - Direct Plan - Growth Nil (March 31, 2020: 4,808 units of ₹ 3,131.98 each)	-	-	-	150.59
Total Investments carried at fair value through profit or loss (A)	-	-	604.75	150.59
B. Investments carried at cost				
<i>Investment in equity instruments of subsidiaries</i>				
1,041 (March 31, 2020: 1,041) Equity shares of ₹ 100 each at premium of ₹ 6,144 fully paid up in Acquity Labs Private Limited	65.00	65.00	-	-
Total Investments carried at cost (B)	65.00	65.00	-	-
Total Investments (A+B)	65.00	65.00	604.75	150.59
a) Aggregate amount of quoted investments and market value thereof	-	-	604.75	150.59
b) Aggregate amount of other investments	65.00	65.00	-	-



Kids Clinic India Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

8 Loans (Unsecured, considered good)	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	₹	₹	₹	₹
Security deposit	2,227.80	1,828.86	-	-
Loans to employees	-	-	24.66	33.72
	2,227.80	1,828.86	24.66	33.72

9 Other financial assets (Unsecured, considered good)	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	₹	₹	₹	₹
Margin money deposits with banks*	1,081.58	1,081.68	-	-
Unbilled revenue	-	-	293.67	339.38
	1,081.58	1,081.68	293.67	339.38

* Pledged against borrowings (refer note 16) and bank guarantee (refer note 30) facilities availed by the Company from banks.

10 Other assets (Unsecured, considered good)	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	₹	₹	₹	₹
Advance to suppliers (refer note 34)*	-	-	73.32	89.89
Balances with statutory / government authorities	2.80	2.80	134.10	128.74
Prepaid expenses	65.79	55.30	157.61	109.17
Capital advances	415.59	399.07	-	-
	484.18	457.17	365.03	327.80

* Includes advances to ANI Technologies Private Limited in which Company's director is a director.

11 Inventories (valued at lower of cost and net realisable value)	March 31, 2021	March 31, 2020
	₹	₹
Pharmacy goods	752.81	1,124.26
	752.81	1,124.26

12 Trade receivables (unsecured)	March 31, 2021	March 31, 2020
	₹	₹
Trade receivables - considered good	900.52	978.25
Trade receivables - credit impaired	567.42	504.66
	(A) 1,467.94	1,482.91
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(567.42)	(504.66)
	(B) (567.42)	(504.66)
Total trade receivables (A+B)	900.52	978.25

Note: Refer note 16 for details of trade receivables pledged as security for borrowings.

Details of provision for impairment is as below:

	March 31, 2021	March 31, 2020
	₹	₹
Balance as at beginning of the year	504.66	404.28
Add: Provision made during the year	62.76	100.38
Balance as at end of the year	567.42	504.66



Kids Clinic India Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

13 Cash and cash equivalents

March 31, 2021	March 31, 2020
₹	₹
Balances with banks:	
- in current accounts	460.22
Cash on hand	259.32
	46.58
	29.09
	506.80
	288.41

Changes in liabilities arising from financing activities:

Particulars	Lease Liabilities (non-current)	Lease Liabilities (current)	Non-current borrowings	Current borrowings (including current maturities)	Interest accrued but not due on borrowings	Total
Balance as at April 1, 2019	-	-	3,511.45	1,215.06	22.66	4,749.17
Lease liabilities recognised on initial application of Ind AS 116	30,236.42	1,809.69	-	-	-	32,046.11
Accretion of interest	3,749.42	-	-	-	986.24	4,735.66
Cash inflows						
Proceeds from non-current borrowings	-	-	1,075.00	-	-	1,075.00
Cash Outflows						
Repayment of non-current borrowings	-	-	(1,114.68)	-	-	(1,114.68)
Payment of principal portion of lease liabilities	-	(1,809.69)	-	-	-	(1,809.69)
Payment of interest portion of lease liabilities	(3,749.42)	-	-	-	-	(3,749.42)
Finance costs paid (other than interest portion of lease liabilities)	-	-	-	-	(983.40)	(983.40)
Bank overdraft (forming part of cash and cash equivalents for statement of cash flow)	-	-	-	490.45	-	490.45
Others*	(2,133.33)	2,133.33	67.79	(67.79)	-	-
Balance as at March 31, 2020	28,103.10	2,133.33	3,539.56	1,637.72	25.50	35,439.21
Additions to Lease liabilities during the year	15,991.11	-	-	-	-	15,991.11
Accretion of interest	3,955.32	-	-	-	848.44	4,803.76
Cash inflows						
Proceeds from non-current borrowings	-	-	914.00	-	-	914.00
Cash Outflows						
Repayment of non-current borrowings	-	-	(1,065.01)	-	-	(1,065.01)
Payment of principal portion of lease liabilities	(1,968.18)	-	-	-	-	(1,968.18)
Payment of interest portion of lease liabilities	(3,500.08)	-	-	-	-	(3,500.08)
Finance costs paid (other than interest portion of lease liabilities)	-	-	-	-	(850.74)	(850.74)
Rent concessions (refer note 33)	(428.05)	-	-	-	-	(428.05)
Bank overdraft (forming part of cash and cash equivalents for statement of cash flow)	-	-	-	(493.09)	-	(493.09)
Others*	(892.63)	892.63	115.90	(115.90)	-	-
Balance as at March 31, 2021	41,260.59	3,025.96	3,504.45	1,028.73	23.20	48,842.93

* Others indicate the effect of movement in reclassification of current portion of long-term borrowings, including lease liabilities to other current financial liabilities basis the balance repayment period.

Break up of financial assets carried at amortized cost:

Notes	March 31, 2021	March 31, 2020
	₹	₹
Loans	2,252.46	1,862.58
Trade receivables	900.52	978.25
Cash and cash equivalents	506.80	288.41
Other financial assets	1,375.25	1,421.06
	5,035.03	4,550.30



14 Share capital

Authorised share capital

Equity shares

95,00,000 (March 31, 2020: 95,00,000) equity shares of ₹ 10 each

Non-Cumulative Compulsorily Convertible Preference Shares ('NCCCPS')

56,29,799 (March 31, 2020: 56,29,799) 10% NCCCPS Class A of ₹ 10 each

39,41,989 (March 31, 2020: 39,41,989) 10% NCCCPS Class B of ₹ 10 each

4,28,212 (March 31, 2020: 4,28,212) 0.01% NCCCPS Class B1 of ₹ 100 each

44,00,000 (March 31, 2020: 44,00,000) 0.01% NCCCPS Class C of ₹ 100 each

10,43,000 (March 31, 2020: 10,43,000) 0.01% NCCCPS Class C1 of ₹ 100 each

Issued, subscribed and paid-up equity share capital

Equity shares - fully paid

65,93,904 (March 31, 2020: 65,93,904) equity shares of ₹ 10 each, fully paid up

Equity shares - partly paid

2,47,476 (March 31, 2020: Nil) equity shares of ₹ 10 each, ₹ 1 paid up (refer note 14 (a))

Instruments entirely equity in nature*

Non-Cumulative Compulsorily Convertible Preference Shares ('NCCCPS')

56,29,799 (March 31, 2020: 56,29,799) 10% NCCCPS Class A of ₹ 10 each

31,54,744 (March 31, 2020: 31,54,744) 10% NCCCPS Class B of ₹ 10 each

4,28,212 (March 31, 2020: 4,28,212) 0.01% NCCCPS Class B1 of ₹ 100 each

43,89,540 (March 31, 2020: 43,89,540) 0.01% NCCCPS Class C of ₹ 100 each

10,42,209 (March 31, 2020: 10,42,209) 0.01% NCCCPS Class C1 of ₹ 100 each

	March 31, 2021 ₹	March 31, 2020 ₹
Authorised share capital		
Equity shares		
95,00,000 (March 31, 2020: 95,00,000) equity shares of ₹ 10 each	950.00	950.00
Non-Cumulative Compulsorily Convertible Preference Shares ('NCCCPS')		
56,29,799 (March 31, 2020: 56,29,799) 10% NCCCPS Class A of ₹ 10 each	562.98	562.98
39,41,989 (March 31, 2020: 39,41,989) 10% NCCCPS Class B of ₹ 10 each	394.20	394.20
4,28,212 (March 31, 2020: 4,28,212) 0.01% NCCCPS Class B1 of ₹ 100 each	428.21	428.21
44,00,000 (March 31, 2020: 44,00,000) 0.01% NCCCPS Class C of ₹ 100 each	4,400.00	4,400.00
10,43,000 (March 31, 2020: 10,43,000) 0.01% NCCCPS Class C1 of ₹ 100 each	1,043.00	1,043.00
	7,778.39	7,778.39
Issued, subscribed and paid-up equity share capital		
Equity shares - fully paid		
65,93,904 (March 31, 2020: 65,93,904) equity shares of ₹ 10 each, fully paid up	659.39	659.39
Equity shares - partly paid		
2,47,476 (March 31, 2020: Nil) equity shares of ₹ 10 each, ₹ 1 paid up (refer note 14 (a))	2.47	-
	661.86	659.39
Instruments entirely equity in nature*		
Non-Cumulative Compulsorily Convertible Preference Shares ('NCCCPS')		
56,29,799 (March 31, 2020: 56,29,799) 10% NCCCPS Class A of ₹ 10 each	562.98	562.98
31,54,744 (March 31, 2020: 31,54,744) 10% NCCCPS Class B of ₹ 10 each	315.47	315.47
4,28,212 (March 31, 2020: 4,28,212) 0.01% NCCCPS Class B1 of ₹ 100 each	428.21	428.21
43,89,540 (March 31, 2020: 43,89,540) 0.01% NCCCPS Class C of ₹ 100 each	4,389.54	4,389.54
10,42,209 (March 31, 2020: 10,42,209) 0.01% NCCCPS Class C1 of ₹ 100 each	1,042.21	1,042.21
	6,738.41	6,738.41

* As per the terms of the Shareholders agreement, it is noted that all series of NCCCPS are mandatory convertible either at the end of contract period i.e. 20 years or prior to the IPO. The Company has no contractual obligation to pay cash nor does the holder have an option for redemption of the instrument. The conversion ratio is fixed as part of the shareholders agreement for all NCCCPS. Further, the drag along and tag along rights are within the shareholders, the arrangements does not impact the contractual terms with the Company and there is no contractual obligation on the Company to deliver cash or other financial asset as part of this arrangement. Hence the aforesaid instruments are classified as equity in nature.

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

Equity shares

	March 31, 2021		March 31, 2020	
	No. in lakhs	₹	No. in lakhs	₹
At the beginning of the year	65.94	659.39	65.94	659.39
Issued during the year *	2.47	2.47	-	-
Balance at the end of the year	68.41	661.86	65.94	659.39

* During the current year, 2,47,476 partly paid-up equity shares with face value of ₹ 10 per equity share and securities premium of ₹ 240 per equity share were allotted, with called and paid-up capital of ₹ 1 per equity share.

Instruments entirely equity in nature

	March 31, 2021		March 31, 2020	
	No. in lakhs	₹	No. in lakhs	₹
NCCCPS - Class A				
At the beginning of the year	56.30	562.98	56.30	562.98
Issued during the year	-	-	-	-
Outstanding at the end of the year	56.30	562.98	56.30	562.98
NCCCPS - Class B				
At the beginning of the year	31.55	315.47	31.55	315.47
Issued during the year	-	-	-	-
Outstanding at the end of the year	31.55	315.47	31.55	315.47
NCCCPS - Class B1				
At the beginning of the year	4.28	428.21	4.28	428.21
Issued during the year	-	-	-	-
Outstanding at the end of the year	4.28	428.21	4.28	428.21
NCCCPS - Class C				
At the beginning of the year	43.89	4,389.54	43.89	4,389.54
Issued during the year	-	-	-	-
Outstanding at the end of the year	43.89	4,389.54	43.89	4,389.54
NCCCPS - Class C1				
At the beginning of the year	10.42	1,042.21	10.42	1,042.21
Issued during the year	-	-	-	-
Outstanding at the end of the year	10.42	1,042.21	10.42	1,042.21



(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. With respect to partly paid shares issued during the year, there are no voting rights and no dividend rights till such time that such shares remain partly paid-up.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts and adjustment of unpaid calls/un-called amounts as applicable. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Terms of conversion of NCCCPS

(i) NCCCPS - Class A

The Company has issued 56,29,799 NCCCPS Class A of ₹ 10 each fully paid-up at a premium of ₹ 69.93 per share. NCCCPS Class A carry non - cumulative dividend @ 10% p.a. proportionately for the period for which the shares are being held. In addition, the holders of NCCCPS Class A will be entitled to full participation in any distribution being undertaken by the Company on full liability basis. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of NCCCPS Class A is entitled to vote at each meeting of the holders of the Equity shares to the extent of such proportion of the total voting rights, as they would have been entitled assuming full conversion of the NCCCPS Class A.

(ii) NCCCPS - Class B

The Company has issued 31,54,744 NCCCPS Class B of ₹ 10 each fully paid-up at a premium of ₹ 315.86 per share. NCCCPS Class B carry non - cumulative dividend @ 10% p.a. proportionately for the period for which the shares are being held. In addition, the holders of NCCCPS Class B will be entitled to full participation in any distribution being undertaken by the Company on full liability basis. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of NCCCPS Class B is entitled to vote at each meeting of the holders of the Equity shares to the extent of such proportion of the total voting rights, as they would have been entitled assuming full conversion of the NCCCPS Class B.

(iii) NCCCPS - Class B1

The Company has issued 4,28,212 NCCCPS Class B1 of ₹ 100 each fully paid-up at a premium of ₹ 297 per share. NCCCPS Class B1 carry non - cumulative dividend @ 0.01% p.a. proportionately for the period for which the shares are being held. In addition, the holders of NCCCPS Class B1 will be entitled to full participation in any distribution being undertaken by the Company on full liability basis. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of NCCCPS Class B1 is entitled to vote at each meeting of the holders of the Equity shares to the extent of such proportion of the total voting rights, as they would have been entitled assuming full conversion of the NCCCPS Class B1.

(iv) NCCCPS - Class C

The Company has issued 43,89,540 NCCCPS Class C of ₹ 100 each fully paid-up at a premium of ₹ 475.70 per share. NCCCPS Class C carry non - cumulative dividend @ 0.01% p.a. proportionately for the period for which the shares are being held. In addition, the holders of NCCCPS Class C will be entitled to full participation in any distribution being undertaken by the Company on full liability basis. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of NCCCPS Class C is entitled to vote at each meeting of the holders of the Equity shares to the extent of such proportion of the total voting rights, as they would have been entitled assuming full conversion of the NCCCPS Class C.

(v) NCCCPS - Class C1

The Company has issued 10,42,209 NCCCPS Class C1 of ₹ 100 each fully paid-up at a premium of ₹ 475.70 per share. NCCCPS Class C1 carry non - cumulative dividend @ 0.01% p.a. proportionately for the period for which the shares are being held. In addition, the holders of NCCCPS Class C1 will be entitled to full participation in any distribution being undertaken by the Company on full liability basis. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of NCCCPS Class C1 is entitled to vote at each meeting of the holders of the Equity shares to the extent of such proportion of the total voting rights, as they would have been entitled assuming full conversion of the NCCCPS Class C1.

Each holder of NCCCPS Class A may opt to convert its preference shares into 1 equity share of the Company at the earlier of the following events:

- 1) Qualified Initial Public Offering (IPO) as acceptable to the holder.
- 2) At any time prior to the expiry of 20 years from the completion dates, viz., May 27, 2011
- 3) Immediately upon the expiry of 20 years from the completion dates, viz., May 27, 2011

In the event of liquidation of the Company before conversion of NCCCPS Class A, the holders of NCCCPS Class A will have priority over equity shares in the repayment of capital.

Each holder of NCCCPS Class B may opt to convert its preference shares into 1 equity share of the Company at the earlier of the following events:

- 1) IPO as acceptable to the holder.
- 2) At any time prior to the expiry of 20 years from the completion dates, viz., October 25, 2013
- 3) Immediately upon the expiry of 20 years from the completion dates, viz., October 25, 2013

In the event of liquidation of the Company before conversion of NCCCPS Class B, the holders of NCCCPS Class B will have priority over equity shares in the repayment of capital.

Each holder of NCCCPS Class B1 may opt to convert its preference shares into 0.84 equity share of the Company at the earlier of the following events:

- 1) IPO as acceptable to the holder.
- 2) At any time prior to the expiry of 20 years from the completion dates, viz., September 02, 2015
- 3) Immediately upon the expiry of 20 years from the completion dates, viz., September 02, 2015

In the event of liquidation of the Company before conversion of NCCCPS Class B1, the holders of NCCCPS Class B1 will have priority over equity shares in the repayment of capital.

Each holder of NCCCPS Class C may opt to convert its preference shares into 1 equity share of the Company at the earlier of the following events:

- 1) IPO as acceptable to the holder.
- 2) At any time prior to the expiry of 20 years from the completion dates, viz., December 22, 2015 and December 08, 2016
- 3) Immediately upon the expiry of 20 years from the completion dates, viz., December 22, 2015 and December 08, 2016

In the event of liquidation of the Company before conversion of NCCCPS Class C, the holders of NCCCPS Class C will have priority over equity shares in the repayment of capital.

Each holder of NCCCPS Class C1 may opt to convert its preference shares into 1 equity share of the Company at the earlier of the following events:

- 1) IPO as acceptable to the holder.
- 2) At any time prior to the expiry of 20 years from the completion dates, viz., June 05, 2018
- 3) Immediately upon the expiry of 20 years from the completion dates, viz., June 05, 2018

In the event of liquidation of the Company before conversion of NCCCPS Class C1, the holders of NCCCPS Class C1 will have priority over equity shares in the repayment of capital.



(d) Details of shareholders holding more than 5% shares in the company:

Name of the shareholder	March 31, 2021		March 31, 2020	
	No. in lakhs	% holding	No. in lakhs	% holding
<i>Equity shares of ₹ 10 each fully paid</i>				
Dr. R. Kishore Kumar	27.39	41.54%	27.39	41.54%
Scripts N Scrolls India Private Limited	27.99	42.45%	27.99	42.45%
SCI Growth Investments II	4.36	6.61%	4.36	6.61%
<i>NCCCCPS Class A of ₹ 10 each fully paid</i>				
Matrix Partners India Investments, LLC	33.20	58.96%	33.20	58.96%
True North Fund V LLLP	23.10	41.04%	23.10	41.04%
<i>NCCCCPS Class B of ₹ 10 each fully paid</i>				
SCI Growth Investments II	23.88	75.68%	23.88	75.68%
Matrix Partners India Investments, LLC	7.67	24.32%	7.67	24.32%
<i>NCCCCPS Class B1 of ₹ 100 each fully paid</i>				
SCI Growth Investments II	3.02	70.59%	3.02	70.59%
Matrix Partners India Investments, LLC	1.26	29.41%	1.26	29.41%
<i>NCCCCPS Class C of ₹ 100 each fully paid</i>				
Indium V (Mauritius) Holdings Limited	21.71	49.47%	21.71	49.47%
True North Fund V LLLP	22.18	50.53%	22.18	50.53%
<i>NCCCCPS Class C1 of ₹ 100 each fully paid</i>				
True North Fund V LLLP	10.42	100.00%	10.42	100.00%

(e) Shares reserved for issue under options

(i) The Company has issued stock options to employees. For details of shares reserved for issue under the Employee Stock Option Plan ("ESOP") and Associate Stock Option Plan ("ASOP") of the Company, refer note 36.

(ii) For details of shares reserved for issue on conversion of NCCCCPS, refer note 14(c) regarding terms of conversion of preference shares.

15 Other equity

	March 31, 2021	March 31, 2020
	₹	₹
Securities premium (A)	41,355.46	41,355.46
Note: Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.		
Shared based payments		
Balance at the beginning of the year	387.27	278.36
Add: Compensation expense for options granted during the year	108.37	108.91
Less: Transferred to general reserve on lapse of share options during the year	(32.97)	-
Balance at the end of the year (B)	462.67	387.27
Note: Share based payments is used to record the grant date fair value of equity-settled share based payment transactions with employees and associates/consultants. The amounts recorded in this account are transferred to securities premium upon exercise of stock options. In case of lapse, corresponding balance is transferred to general reserve.		
Other contributions by owners		
Balance at the beginning of the year	-	-
Additions during the year	424.63	-
Balance at the end of the year (C)	424.63	-
Note: Represents other contributions by shareholders in the nature of waiver of amounts payable to them upon issuance of equity shares during the year ended March 31, 2021.		
General Reserve		
Balance at the beginning of the year	3.68	3.68
Add: Amount transferred on lapse of share options during the year	32.97	-
Balance at the end of the year (D)	36.65	3.68
Note: General reserve represents appropriation of profit.		
Retained earnings		
Balance at the beginning of the year	(26,255.07)	(22,882.94)
Loss for the year	(3,939.33)	(3,353.35)
Other comprehensive income for the year*	9.75	(18.78)
Balance at the end of the year (E)	(30,184.65)	(26,255.07)
Total other equity (A+B+C+D+E)	12,094.76	15,491.34

* As required under Ind AS compliant Schedule III, the Company has recognised rereasurement gains/(losses) of defined benefit plans (net of tax) as part of retained earnings.



Kids Clinic India Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

16 Borrowings	Effective interest rate	Maturity period	March 31, 2021	March 31, 2020
			₹	₹
Non-current borrowings				
<i>Term loan</i>				
Indian rupee term loan from banks (secured) [Refer note (i)]	7-12%	2020 - 2026	4,325.90	4,090.91
From financial institutions (secured) [Refer note (ii)]	11-14%	2020 - 2021	-	368.67
			4,325.90	4,459.58
<i>Other loans</i>				
Vehicle loan (secured) [Refer note (iii)]	7-8%	2020 - 2024	78.43	95.76
Less: Current maturities of non-current borrowings disclosed under the head "Other current financial liabilities" (refer note 17)			(899.88)	(1,015.78)
Total non-current borrowings			3,504.45	3,539.56
Current borrowings				
<i>Loan repayable on demand</i>				
Bank overdrafts (secured) [Refer note (iv)]	9-11%	On demand	128.85	621.94
Total current borrowings			128.85	621.94

Note:

- (i) Indian rupee loan from bank is secured by all movable, immovable and current assets of the Company.
(ii) Term loan from financial institutions has been fully repaid in the current year and the same was secured by hypothecation of the equipments purchased.
(iii) Vehicle loan is secured by hypothecation of vehicles purchased on loan.
(iv) Bank overdrafts is secured by all movable, immovable and current assets of the Company.

17 Other financial liabilities	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	₹	₹	₹	₹
Lease Liability (refer note 33)	41,260.58	28,103.09	3,025.96	2,133.33
Payable towards purchase of property, plant & equipment	-	-	139.06	285.79
Current maturities of non-current borrowings (note 16)	-	-	899.88	1,015.78
Employee benefits payable	-	-	635.43	386.20
Security deposit	22.11	58.24	33.69	133.93
Interest accrued but not due on borrowings	-	-	23.20	25.50
	41,282.69	28,161.33	4,757.22	3,980.53

18 Trade payables	March 31, 2021	March 31, 2020
	₹	₹
Trade payables		
- Total outstanding dues of micro and small enterprises (refer note 31 for details of dues to micro and small enterprises)	8.77	14.03
- Total outstanding dues of creditors other than micro and small enterprises		
- Payable to related parties (refer note 34)	48.61	62.64
- Payable to other parties	4,596.24	3,863.12
	4,653.62	3,939.79

Break up of financial liabilities carried at amortized cost

	Notes	March 31, 2021	March 31, 2020
		₹	₹
Borrowings (non-current)	16	3,504.45	3,539.56
Borrowings (current)	16	128.85	621.94
Current maturities of non-current borrowings	16	899.88	1,015.78
Other financial liabilities (excluding Current maturities of non-current borrowings)	17	45,140.03	31,126.08
Trade payables	18	4,653.62	3,939.79
		54,326.83	40,243.15



19 Other liabilities

Advance from customers
Statutory dues payable

Current	
March 31, 2021	March 31, 2020
₹	₹
818.84	700.71
337.91	379.86
1,156.75	1,080.57

20 Provisions

Provision for employee benefits
Provision for gratuity (refer note 35)
Provision for leave benefits

Current	
March 31, 2021	March 31, 2020
₹	₹
603.37	465.42
700.88	575.02
1,304.25	1,040.44

21 Income Tax

a) Deferred tax

Deferred tax assets

Impact of unabsorbed depreciation loss carried forward
Others

Gross deferred tax assets

Deferred tax liabilities

Others

Gross deferred tax liabilities

Net deferred tax assets

March 31, 2021	March 31, 2020
₹	₹
4,239.63	4,239.63
-	-
4,239.63	4,239.63
-	-
-	-
4,239.63	4,239.63

Notes:

1) Amount of deferred tax assets not recognised in the balance sheet:

a) Deferred tax on unused tax losses*

b) Deferred tax on deductible temporary differences

4,029.49

4,029.49

1,755.23

610.93

* The unused tax losses can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year in which the loss was first computed and would expire if not utilised starting from financial year 2023-24 to 2026-27.

2) The Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') provides an option to domestic companies to pay income-tax at a lower rate of 25.17% instead of the normal rate of 29.12% (as applicable to the Company), if it opts for not availing of certain specified exemptions or incentives. The Company has made an assessment of the impact of the Ordinance and has decided to not opt for the lower tax rate of 25.17%. Consequently, the Company has continued to measure the current and deferred taxes at the normal rate of 29.12%.

b) Tax expense

The major components of income tax expense for the year ended March 31, 2021 and March 31, 2020 are:

Statement of profit and loss

Profit or loss section

Current tax

Current income tax charge

Deferred tax

Relating to unabsorbed depreciation loss

Income Tax expense reported in the Statement of profit or loss

March 31, 2021	March 31, 2020
₹	₹
-	-
(4.01)	(688.97)
(4.01)	(688.97)

OCI section

Deferred tax related to items recognised in OCI during in the year

Income tax relating to re-measurement losses on defined benefit plans

Deferred tax charged to OCI

(4.01)	(7.71)
(4.01)	(7.71)

Reconciliation of deferred tax assets (net)

Opening balance

Deferred tax credit during the period recognised in profit or loss

Deferred tax (charge):credit during the period recognised in OCI

Closing balance

March 31, 2021	March 31, 2020
₹	₹
4,239.63	3,542.95
4.01	688.97
(4.01)	7.71
4,239.63	4,239.63

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Accounting profit before income tax

Income tax rate

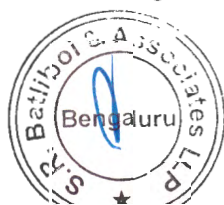
Tax on accounting profit at statutory income tax rate

Impact due to change in tax rate

Tax effect of temporary differences (other than unabsorbed depreciation loss) not recognised

Tax expense reported in the statement of profit or loss

March 31, 2021	March 31, 2020
₹	₹
(3,943.34)	(4,042.32)
29.12%	29.12%
(1,148.31)	(1,177.12)
-	236.20
4,094.29	251.95
(4.01)	(688.97)



Kids Clinic India Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021
 (All amounts in Indian Rupees Lakhs, except as otherwise stated)

22 Revenue from operations	March 31, 2021	March 31, 2020
	₹	₹
Sale of services - Medical services	46,991.28	44,466.49
Sale of goods - Pharmacy goods	7,468.72	6,792.82
	54,460.00	51,259.31

22.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of goods or services:

Revenue from contracts with customers		
Revenue recognised over time	46,991.28	44,466.49
Revenue recognised at a point in time	7,468.72	6,792.82
	54,460.00	51,259.31

22.2 Contract balances

Contract assets		
Trade receivables	900.52	978.25
Contract assets		
- Unbilled revenue	293.67	339.38
	1,194.19	1,317.62
Contract liabilities		
- Advance from customers	818.84	700.71
	818.84	700.71

Trade receivables are non-interest bearing and are generally on credit terms of upto 30 days.

Unbilled revenue pertains to transactions where performance obligation has been satisfied and contractual invoices have not been raised.

Contract liabilities include advances received from customers representing transaction price allocated to unsatisfied performance obligations. The unsatisfied performance obligations are expected to be recognised within one year.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	700.71	808.04
---	--------	--------

23 Other income

23 Other income	March 31, 2021	March 31, 2020
	₹	₹
Interest income on		
Bank Deposits	57.97	65.52
Income Tax refund	97.79	-
Other financial assets at amortised cost	155.07	106.00
Net gain on sale of current investments	17.87	71.65
Fair value gain on investments at fair value through profit or loss	4.21	0.57
Profit on sale of property, plant & equipment, net	-	19.36
Liabilities no longer required written back	149.61	173.40
Rent concessions*	428.05	-
Other non-operating income	345.65	530.28
	1,256.22	966.78

*Rent concessions represent concessions on rentals on account of COVID-19 (refer note 33).

24 Cost of Pharmacy goods consumed*

24 Cost of Pharmacy goods consumed*	March 31, 2021	March 31, 2020
	₹	₹
Inventory at the beginning of the year	1,124.26	568.57
Add: Purchases during the year	6,627.97	7,034.03
	7,752.23	7,602.60
Less: Inventory at the end of the year	(752.81)	(1,124.26)
	6,999.42	6,478.34

*It is not practicable to furnish details of pharmacy goods inventories and consumption under broad heads in view of large number of items and each not being significant.



Kids Clinic India Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

25 Employee benefits expense

Salaries, wages and bonus
Contribution to provident and other funds
Share based payments expense (refer note 36)
Staff welfare expenses

March 31, 2021	March 31, 2020
₹	₹
9,885.73	8,947.33
839.03	749.54
108.37	108.91
157.63	132.23
10,990.76	9,938.01

26 Depreciation and amortization expense

Depreciation of property, plant and equipment (refer note 3)
Depreciation of Right-of-use assets (refer note 3)
Amortization of intangible assets (refer note 5)

March 31, 2021	March 31, 2020
₹	₹
3,363.89	3,218.68
4,393.39	4,046.98
67.91	66.59
7,825.19	7,332.25

27 Finance costs

Interest
on borrowings from banks
on borrowings from financial institutions
on lease liability (refer note 33)
on other financial liabilities at amortised cost
Other charges

March 31, 2021	March 31, 2020
₹	₹
425.30	495.65
38.46	63.85
3,955.32	3,749.42
16.07	16.25
384.68	426.74
4,819.83	4,751.91

28 Other expenses

Rent (refer note 33)
Power and fuel
Laboratory and radiology expenses
Consumable costs
Housekeeping expenses
Food and beverages
Rates and taxes
Insurance
Repairs and maintenance
Plant and machinery
Buildings
Others
Doctor's professional fees
Advertising and sales promotion
Brokerage and commission
Travelling and conveyance
Communication costs
Printing and stationery
Legal and professional fees
Photo expenses
Payment to auditors *
Provision for doubtful debts
Bad debts written off
Loss on disposal of Asset
Capital work in progress written off
Software expenses
Security expenses
Donation
Miscellaneous expenses

March 31, 2021	March 31, 2020
₹	₹
60.12	101.52
1,254.53	1,228.80
1,501.68	1,321.34
2,091.59	1,533.48
1,592.82	1,542.60
699.66	563.58
58.93	140.36
82.20	68.75
409.58	341.02
427.14	367.59
124.43	87.63
16,775.74	16,373.26
461.26	765.24
3.18	38.00
152.65	262.64
339.23	311.13
298.64	317.31
803.96	512.24
282.88	253.22
40.15	39.70
62.76	100.38
6.17	2.74
29.02	-
-	210.00
607.74	481.48
541.07	484.75
-	0.90
317.23	318.24
29,024.36	27,767.90

*** Payment to auditors (excluding goods and services tax):**

As auditor:

Statutory audit fee for standalone financial statements
Statutory audit fee for consolidated financial statements
Fee for audit of internal controls over financial reporting
Reimbursement of expenses

30.00	29.50
7.00	7.00
3.00	3.00
0.15	0.20
40.15	39.70



Kids Clinic India Private Limited
Notes to Standalone Financial Statements for the year ended March 31, 2021
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

		March 31, 2021	March 31, 2020
		₹	₹
29	Earnings/(Loss) per share ('EPS')		
	Profit/(Loss) after tax attributable to equity shareholders	(A) (3,939.33)	(3,353.35)
	Weighted average number of equity shares for basic EPS (No. in lakhs)		
	a) Weighted average number of equity shares (refer note-2 below)	65.94	65.94
	b) Weighted average number of equity shares to be issued upon conversion of mandatorily convertible instrument - NCCCPS (also refer note 14)	145.77	145.77
	Weighted average number of equity shares for basic EPS (No. in lakhs)	211.71	211.71
	Effect of dilution (refer note-1 below)	-	-
	Weighted average no. of equity shares adjusted for the effect of dilution (No. in lakhs)	(B) 211.71	211.71
	Nominal value of shares (₹)	10.00	10.00
	Basic and Diluted EPS (₹)	(C) = A/B (18.61)	(15.84)

Notes:

1) For the purpose of computation of diluted EPS, the effect of partly paid shares, ESOP and ASOP have not been given as the effect is anti-dilutive and the impact of NCCCPS, being a mandatorily convertible instrument, is not required to be considered for dilution purposes as the same has been included in the computation of basic EPS.

2) With respect to partly paid shares issued during the year, since there are no dividend rights till such time that such shares remain partly paid-up, the same have not been considered for calculation of basic EPS.

		March 31, 2021	March 31, 2020
		₹	₹
30	Commitments and contingencies		
	a. Commitments		
	(i) Estimated amount of contracts remaining to be executed on capital account, net of capital advances and not provided for	1,201.21	629.43
	(ii) With regards to the commitments under NCCCPS agreement, refer note 14(c).		
	b. Contingent liabilities		
	(i) Contingent liability towards pending litigations related to disputed dues of:		
	- Income tax matters	102.89	151.69
	- Value added tax/Service tax matters	49.63	-
	- Customer related matters	1,705.28	662.90
	(ii) The Company has taken Bank Guarantees of ₹ 4.40 lakhs (March 31, 2020: ₹ 4.90 lakhs) against fixed deposits in the favour of various government authorities.		
	(iii) 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.		

		March 31, 2021	March 31, 2020
		₹	₹
31	Details of dues to micro and small enterprises as defined under the MSMED Act, 2006		
	The principal amount remaining unpaid to any supplier	8.77	14.03
	The amount of interest due and remaining unpaid to any supplier	-	-
	The amount of interest paid by the Company along with the amount of the payments made to the supplier beyond the appointed day.	-	-
	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year).	-	-
	The amount of interest accrued and remaining unpaid at the end of the year.	-	-
	The amount of further interest remaining due and payable for the earlier years.	-	-
		8.77	14.03

Note: The above-mentioned disclosure has been made based on the information available with the Company.

32 Unhedged foreign currency exposure:

The unhedged foreign currency exposure of the Company as at March 31, 2021 is Nil (March 31, 2020: Nil).



33 Leases

A. Transition to Ind AS 116

1. Effect of adoption of new accounting standard on Leases: Ind AS 116

The Company had adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method prescribed in para C8(b)(ii) of Ind AS 116 to ongoing leases as on April 01, 2019. The standard was applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. In the context of initial application, the Company had exercised the option — not to apply the new recognition requirements to short-term leases and to leases of low-value asset.

As at April 01, 2019, upon the adoption of Ind AS 116, the recognition of right of use asset (ROU) of ₹ 31,688.07 lakhs had been determined after deducting the below-mentioned balances as at March 31, 2019 under Ind AS 17, and the amount of lease liability of ₹ 32,046.11 lakhs had been determined in accordance with Ind AS 116.

2. ROU asset as at April 01, 2019

	Right-of-use Assets
ROU asset as at April 1, 2019	32,046.11
Less: Adjustment of balances as at March 31, 2019 under Ind AS 17:	
a) Lease equalisation reserve	(1,778.39)
b) Deferred rent expenditure	1,323.14
b) Prepaid lease related expenses	97.21
ROU Asset due to initial application of Ind AS 116 as at April 01, 2019	31,688.07

3. Lease liability as at April 01, 2019

	Lease Liability
Operating lease obligations (gross before discounting)	55,075.22
Less:- Effect of discounting at the incremental borrowing rate	(23,029.11)
Lease liabilities due to initial application of Ind AS 116 as at April 01, 2019	32,046.11

B. Company as Lessee

Set out below are the carrying amount of right-of-use assets recognised and movements during the period:

	Right-of-use Assets
Adoption of Ind AS 116 Leases - As at April 01, 2015	31,688.07
Additions during the year	
a) Difference between the additional lease deposit paid and present value of additional lease deposit during the year	140.06
Depreciation during the year	(4,046.98)
Closing net carrying balance - As at March 31, 2020	27,781.15
Additions during the year	
a) Amount of lease liabilities recognised	15,991.11
b) Initial direct costs incurred	205.77
c) Difference between the lease deposit paid and present value of lease deposit at the lease inception	907.32
Depreciation during the year	(4,393.39)
Closing net carrying balance - As at March 31, 2021	40,491.96

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

	Lease liabilities
Adoption of Ind AS 116 Leases - As at April 01, 2015	32,046.11
Accretion of interest	3,749.42
Payments	(5,559.11)
Closing balance - As at March 31, 2020	30,236.42
Additions during the year	15,991.11
Less: Concession on rentals on account of COVID-19	(428.05)
Accretion of interest	3,955.32
Payments	(5,468.26)
Closing balance - As at March 31, 2021	44,286.54

Statement of profit and loss

	March 31, 2021	March 31, 2020
Depreciation expense of right-of-use assets	4,393.39	4,046.98
Interest expense on lease liability	3,955.32	3,749.42
Expense relating to short-term leases (included in other expenses under rent)	60.12	101.52
Total amount recognised in profit and loss	8,408.83	7,897.92

The lease liabilities are discounted using 12%, which is the incremental borrowing rate of the Company.

Statement of cash flows

	March 31, 2021	March 31, 2020
Cash outflow for leases - towards principal	1,968.18	1,809.69
Cash outflow for leases - towards interest	3,500.08	3,749.42

C. Company as lessor

The Company has subleased office space under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and lessee

Particulars	March 31, 2021	March 31, 2020
Lease rentals recognised as an income in the statement of profit and loss under other income	62.65	81.07



34 Related party disclosures

A) Names of related parties and related party relationship

Related parties under Ind AS 24 where control exists

Subsidiary	Acquity Labs Private Limited
------------	------------------------------

Related parties under Ind AS 24 with whom transactions have taken place during the year

Enterprises owned or significantly influenced by shareholders (True North Fund V LLP)	True North Managers LLP True North Enterprise Private Limited
Key management personnel ('KMP')	Mr. Rohit MA, Managing Director Mr. Akash Malik, Chief Executive Officer ('CEO') and Director (upto May 31, 2019) Mr. Raviganesh Venkataraman, CEO and Director (from April 17, 2019) Dr. R Kishore Kumar, Director
Relatives of KMP	Mrs. Vidya Kumar, wife of Dr. R Kishore Kumar, Director
Enterprises owned or significantly influenced by key management personnel or their relatives	ANI Technologies Private Limited Cloudnine Foundation Suburban Diagnostics Private Limited (upto July 25, 2019)

Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

Chief Financial Officer	Mr. Sandeep Bardia (from June 6, 2019)
Company Secretary	Mr. Madhusudhan P

B) Related party transactions

a. Sale/ purchase of goods and services and receivables/payables thereon

	Year ended	Laboratory and radiology expenses	Doctor's professional fees	Reimbursement of expenses to/ (from) related party	Other expense/ (income)	Amount payable to/ (receivable from) related parties
<u>Subsidiaries</u>						
Acquity Labs Private Limited	March 31, 2021	455.95	-	-	-	45.83
	March 31, 2020	335.23	-	-	(1.00)	35.53
<u>Enterprises owned or significantly influenced by shareholders (True North Fund V LLP)</u>						
True North Managers LLP	March 31, 2021	-	-	29.57	-	(0.47)
	March 31, 2020	-	-	73.12	-	2.52
True North Enterprise Private Limited	March 31, 2021	-	-	2.97	-	2.78
	March 31, 2020	-	-	-	-	-
<u>Key managerial personnel / officers of the Company or their relatives</u>						
Dr. R Kishore Kumar, Director	March 31, 2021	-	41.34	0.11	-	-
	March 31, 2020	-	62.99	0.52	-	1.28
Mr. Rohit MA, Managing director	March 31, 2021	-	-	0.02	-	-
	March 31, 2020	-	-	0.16	-	-
Mr. Akash Malik, CEO and Director	March 31, 2021	-	-	-	-	-
	March 31, 2020	-	-	0.70	-	0.08
Mr. Raviganesh Venkataraman, CEO and Director	March 31, 2021	-	-	0.02	-	-
	March 31, 2020	-	-	0.31	-	0.01
Mr Sandeep Bardia, Chief Financial Officer	March 31, 2021	-	-	0.06	-	-
	March 31, 2020	-	-	1.30	-	-
<u>Enterprises owned or significantly influenced by key management personnel or their relatives</u>						
Suburban Diagnostics Private Limited	March 31, 2021	-	-	-	-	-
	March 31, 2020	215.85	-	-	-	23.31
ANI Technologies Private Limited	March 31, 2021	-	-	-	0.30	(0.07)
	March 31, 2020	-	-	-	4.97	(0.37)
Cloudnine Foundation	March 31, 2021	-	-	(10.32)	-	(10.32)
	March 31, 2020	-	-	-	-	-

b. Remuneration to key managerial personnel / officers of the Company or their relatives*

	March 31, 2021	March 31, 2020
Dr. R Kishore Kumar, Director	117.61	129.60
Mr. Rohit M A, Managing Director	117.73	129.51
Mrs. Vidya Kumar, wife of Dr. R Kishore Kumar, Director	17.66	17.69
Mr. Akash Malik, CEO and Director	-	97.38
Mr. Raviganesh Venkataraman, CEO and Director	231.83	160.70
Mr Sandeep Bardia, Chief Financial Officer	125.02	85.19
Mr. Madhusudhan P, Company Secretary	19.57	18.25
	629.43	638.32

* Remuneration does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

C) Other information

In respect of the transactions with the related parties, the Company has complied with the provisions of Section 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards. The provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.



35 Defined benefit plan - Gratuity

The Company operates defined gratuity plan for its employees. Under the plan, every employee who has completed at least two years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.
The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and amount recognised in the balance sheet.

Changes in the defined benefit obligation ('DBO') and fair value of plan assets ('FVoPA') - Year ended March 31, 2021

₹

Gratuity	April 01, 2020	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in OCI					Contributions by employer	March 31, 2021
		Current Service cost	Net interest expense / (income)	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
DBO	627.78	220.32	42.33	262.65	(79.77)	-	3.98	23.56	(48.54)	(21.00)	-	789.67
FVoPA	(162.36)	-	(10.93)	(10.93)	79.77	7.23	-	-	-	7.23	(100.00)	(186.29)
Net liability - Gratuity	465.42	220.32	31.40	251.72	-	7.23	3.98	23.56	(48.54)	(13.77)	(100.00)	603.37

Changes in the defined benefit obligation ('DBO') and fair value of plan assets ('FVoPA') - Year ended March 31, 2020

₹

Gratuity	April 01, 2019	Expense charged to profit or loss			Benefits paid	Remeasurement (gains)/losses in OCI					Contributions by employer	March 31, 2020
		Current Service cost	Net interest expense / (income)	Sub-total included in profit or loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
DBO	495.16	184.12	38.19	222.31	(104.28)	-	(1.01)	45.68	(30.08)	14.59	-	627.78
FVoPA	(165.80)	-	(12.74)	(12.74)	104.28	11.90	-	-	-	11.90	(100.00)	(162.36)
Net liability - Gratuity	329.36	184.12	25.45	209.57	-	11.90	(1.01)	45.68	(30.08)	26.49	(100.00)	465.42

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	31-Mar-21	31-Mar-20
Investment in insurance fund	100%	100%

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

Particulars	31-Mar-21	31-Mar-20
Discount rate	6.70%	6.75%
Future salary benefit levels	8.15%	8.00%

The estimate of future salary increase considered in actuarial valuation takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The change in discount rate is due to change in market scenarios.

A quantitative sensitivity analysis for significant assumptions for Gratuity plan is as shown below:

Particulars	March 31, 2021				March 31, 2020			
	Discount Rate		Future Salary Increase		Discount Rate		Future Salary Increase	
Sensitivity Level	-1%	1%	-1%	1%	-1%	1%	-1%	1%
Impact on net defined benefit obligation - Gratuity	145.53	(116.01)	(110.63)	135.24	112.20	(89.73)	(85.95)	104.35
% change compared to base due to sensitivity	18.43%	(14.69%)	(14.01%)	17.13%	17.9%	(14.3%)	(13.7%)	16.7%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to Insurance fund towards gratuity plan in next one year:

Particulars	31-Mar-21	31-Mar-20
Within the next 12 months	603.37	465.42
Total expected payments	603.37	465.42



36 Share based payment

The Company provides share-based payment schemes to its employees. The Company has adopted the Guidance Note issued by the Institute of Chartered Accountants of India w.e.f. April 1, 2013 for accounting of Employee Stock Option Plan ('ESOP') scheme.

(i) Employee Stock Option Plan ('ESOP')*

On April 1, 2013, the compensation committee, appointed by the Board of Directors approved the equity settled "KCIPI ESOP 2013" for issue of stock options to various employees (including key employees) of the Company. According to the scheme, the employees will be entitled to options, subject to satisfaction of the prescribed vesting conditions, i.e., continued employment with the Company and on the basis of performance. There would be graded vesting on monthly basis for next 60 months (for time based vesting) and annual vesting for 5 years (for performance based vesting). The contractual life (comprising the vesting period and the exercise period) of options granted is 12 years from date of such grant. The other relevant terms of the grant are as below:

Vesting period	5 years
Grant date	Various
Exercise period	7 years from the date of vesting
Expected life	Upto 12 years from the date of grant
Exercise price	₹ 159.86, ₹ 325.86, ₹ 575.70, ₹ 456, ₹ 10

* There were no cancellations or modifications to the plan during the current and previous years.

The fair value of the share options is estimated at the grant date using Black Scholes Model taking into account the terms and conditions upon which the share options are granted and there are no cash settled alternatives for employees.

Expense recognised for employee services received during the year:

	March 31, 2021	March 31, 2020
	₹	₹
Expense arising from equity settled share based payment transactions (net of reversals on account of forfeitures)	108.37	108.91

Movements during the year

The following table illustrates the number and weighted average exercise price of share options during the year

Details of activity under the Scheme:

	March 31, 2021		March 31, 2020	
	No. of options	WAEP*	No. of options	WAEP*
		₹		₹
Outstanding at the beginning of the year	4,43,659	354.25	3,23,330	389.93
Add: Granted during the year	24,195	575.70	1,89,189	423.29
Less: Forfeited and lapsed during the year	37,620	497.23	68,860	575.70
Less: Exercised during the year	-	-	-	-
Outstanding at the end of the year	4,30,234	373.74	4,43,659	354.25
Exercisable at the end of the year	2,35,449	315.77	2,18,381	258.44

*Weighted Average Exercise Price

(ii) Associate Stock Option Plan ('ASOP')

On April 1, 2013, the compensation committee, appointed by the Board of Directors approved the equity settled "KCIPI ASOP 2013" for issue of stock options to various associates/consultants of the Company. According to the scheme, the associates/consultants will be entitled to options, subject to satisfaction of the prescribed vesting conditions, i.e., continued association with the Company and graded vesting on annual basis for 5 years. The contractual life (comprising the vesting period and the exercise period) of options granted is 12 years from date of such grant. The other relevant terms of the grant are as below:

Vesting period	5 years
Grant date	April 1, 2013
Exercise period	7 years from the date of vesting
Expected life	Upto 12 years from the date of grant
Exercise price	₹ 159.86

Movements during the year

The following table illustrates the number and weighted average exercise price of share options during the year

Details of activity under the Scheme:

	March 31, 2021		March 31, 2020	
	No. of options	WAEP*	No. of options	WAEP*
	(lakhs)	₹	(lakhs)	₹
Outstanding at the beginning of the year	1,10,800	159.86	1,10,800	159.86
Add: Granted during the year	-	-	-	-
Less: Forfeited and lapsed during the year	-	-	-	-
Less: Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,10,800	159.86	1,10,800	159.86
Exercisable at the end of the year	1,10,800	159.86	1,10,800	159.86

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2021	March 31, 2020
Dividend yield (%)	Nil	Nil
Expected volatility (%)	30.00%	30.00%
Risk-free interest rate (%)	4.45% - 5.49%	6.59% - 7.42%
Weighted average share price (₹)	391.20	390.00
Exercise price (₹)	575.70	423.29
Expected life of the options granted (in years) (vesting & exercise period)	Upto 12 years	Upto 12 years

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.



37 Fair value measurements

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The management has measured the investments in mutual funds at fair value through profit and loss, which are valued using the quoted market prices in active markets for identical investments.
- The management assessed that the carrying values of cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their fair values largely due to their short-term maturities.
- The management assessed that the carrying values of bank deposits, borrowings and other financial assets and liabilities approximate their fair values based on cash flow discounting using parameters such as interest rates, tenure of instrument, creditworthiness of the customer and the risk characteristics of the financed project, as applicable.

All the financial assets and liabilities (except for Current Investments classified as level 1 as explained above) are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs as explained above. There have been no transfers between levels during the year.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	March 31, 2021		March 31, 2020	
	Carrying Value	Fair Value (Level 1)	Carrying Value	Fair Value (Level 1)
Financial Assets				
<i>Measured at fair value through profit and loss</i>				
Current Investments - Investment in mutual funds	604.75	604.75	150.59	150.59

Particulars	March 31, 2021		March 31, 2020	
	Carrying Value	Fair Value (Level 3)	Carrying Value	Fair Value (Level 3)
Financial Assets				
<i>Measured at amortised cost</i>				
Loans	2,252.46	2,252.46	1,862.58	1,862.58
Trade receivables	900.52	900.52	978.25	978.25
Cash and cash equivalents	506.80	506.80	288.41	288.41
Other financial assets	1,375.25	1,375.25	1,421.06	1,421.06
Financial Liabilities				
<i>Measured at amortised cost</i>				
Borrowings	3,633.30	3,633.30	4,161.50	4,161.50
Trade payables	4,653.62	4,653.62	3,939.79	3,939.79
Other financial liabilities	46,039.91	46,039.91	32,141.86	32,141.86

38 Capital management

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.

- Equity includes equity share capital and all other equity components attributable to the equity holders
- Net debt includes borrowings, trade payables and other financial liabilities, less cash & cash equivalents

Particulars	March 31, 2021	March 31, 2020
Borrowings	3,633.30	4,161.50
Trade payables	4,653.62	3,939.79
Other financial liabilities	46,039.91	32,141.86
	54,326.83	40,243.15
Less: Cash and cash equivalents	(506.80)	(288.41)
Net Debt (A)	53,820.03	39,954.74
Equity share capital	661.86	659.39
Instruments entirely equity in nature	6,738.41	6,738.41
Other equity	12,094.76	15,491.34
Equity (B)	19,495.03	22,889.14
Equity plus net debt (C = A + B)	73,315.06	62,843.88
Gearing ratio (D = A / C)	73%	64%

In order to achieve the objective of maximizing shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above mentioned interest-bearing borrowings.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.



39 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade, other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision and are used exclusively for hedging purposes and not as trading or speculative instruments.

i. 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 two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The sensitivity analysis has been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other long-term benefit obligations.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at the balance sheet date.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in interest rate. The entity's exposure to the risk of changes in interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's net receivables or payables.

Interest rate sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit/(loss) before tax is due to changes in the fair value of interest-bearing financial liabilities i.e. borrowings.

Particulars	Change in interest rate	Effect of profit/(loss) before tax
March 31, 2021	+1%	(54.56)
	-1%	54.56
March 31, 2020	+1%	(46.06)
	-1%	46.06

ii. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables, unbilled revenue and other financial assets.

Other financial assets are bank deposits with banks and hence, the Company does not expect any credit risk with respect to these financial assets.

With respect to other financial assets, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss. At the balance sheet date, there was no significant concentration of credit risk and exposure thereon.

iii. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of borrowings and lease contracts. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Maturity period	March 31, 2021	March 31, 2020
Financial liabilities - current			
Borrowings	On demand	128.85	621.94
Trade payables	Within 1 year	4,653.62	3,939.79
Other financial liabilities	Within 1 year	4,757.22	3,980.53
Financial liabilities - non-current			
Borrowings	Between 1-5 years	3,504.45	3,539.56
Other financial liabilities	Between 1-15 years	41,282.69	28,161.33



40 Standards issued but not yet effective

As at March 31, 2021, there are no standards that have been issued but are not yet effective, which will impact the Company's financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Sudhir Kumar Jain**
Partner
Membership no.: 213157



Place: Bengaluru
Date: July 27, 2021

For and on behalf of the board of directors of
Kids Clinic India Private Limited

Raviganesh Venkataraman
Chief Executive Officer & Director
DIN No: 07336611

Madhusudhan P
Company Secretary

Place: Bengaluru
Date: July 27, 2021

Rohit MA
Managing Director
DIN No: 02501034

Sandeep Bardia
Chief Financial Officer

