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INDEPENDENT AUDITOR'S REPORT

To the Members of Kids Clinic India Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of Kids Clinic India Private Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2021, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), 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 consolidated financial statements' section of our report. We are independent of the Group 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 consolidated 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 consolidated financial statements.

Emphasis of Matter

We draw your attention to Note 2.4 to the accompanying consolidated financial statements, which describes the management's evaluation of Covid-19 impact on the future business operations and future cash flows of the Group. 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 Consolidated Financial Statements and Auditor's Report Thereon

The Holding 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 consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

S.R. Batliboi & Associates LLP Bengaluru

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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Bengaluru

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

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

Other Matter

We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of Rs 1,101.75 lakhs as at March 31, 2021, and total revenues of Rs 1,462.64 lakhs and net cash outflows of Rs 19.24 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the subsidiary, is based solely on the reports of such other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and report of the other auditor;

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the 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 Group;

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies 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 and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, refer to our separate Report in "Annexure 1" to this report. This report does not include Report on the internal financial controls with reference to the financial statements of the subsidiary company, since in the opinion of the other auditor, the said report on internal financial controls is not applicable to the subsidiary company, basis the exemption available to the subsidiary company under MCA notification no. G.S.R. 583(E) dated June 13, 2017 on reporting on internal financial controls;

(h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company and its subsidiary company for the year ended March 31, 2021;

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(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 and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary company, as noted in the 'Other matter' paragraph:

i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 30(b) to the consolidated financial statements;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company during the year ended March 31, 2021.

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

S.R. Batliboi & Associates LLP
Bengaluru

per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 21213157AAAABA5534

Place: Bengaluru
Date: July 27, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED 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 Consolidated Financial Statements of Kids Clinic India Private Limited (hereinafter referred to as the "Holding Company") as of March 31, 2021, in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date. This report does not include Report on the internal financial controls with reference to the financial statements of the subsidiary company, since in the opinion of the other auditor, the said report on internal financial controls is not applicable to the subsidiary company, basis the exemption available to the subsidiary company under MCA notification no. G.S.R. 583(E) dated June 13, 2017 on reporting on internal financial controls.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('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 Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these consolidated 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 and, 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

S.R. Batliboi & Associates LLP
Bengaluru

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

Because of the inherent limitations of internal financial controls with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to these consolidated 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 Holding Company has, in all material respects, an adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note 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

S.R. Batliboi & Associates LLP Bengaluru

UDIN: 21213157AAAABA5534

Place: Bengaluru
Date: July 27, 2021

Kids Clinic India Private Limited
Consolidated 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	64,098.63	51,492.07
Capital work-in-progress	4	131.23	957.09
Intangible assets	5	159.22	215.47
Intangible assets under development	6	-	-
Goodwill		53.66	53.66
Financial assets			
Loans	8	2,245.14	1,846.98
Other non-current financial assets	9	1,081.58	1,081.68
Deferred tax assets (net)	21	4,246.90	4,245.12
Other non-current assets	10	484.18	457.17
Assets for current tax (net)		909.25	915.66
		73,409.79	**61,264.90**
Current assets			
Inventories	11	808.76	1,154.15
Financial assets			
Investments	7	604.75	150.59
Loans	8	25.29	35.42
Trade receivables	12	1,306.42	1,053.99
Cash and cash equivalents	13	506.96	307.84
Other current financial assets	9	293.67	339.38
Other current assets	10	371.80	329.85
Assets for current tax (net)		-	1,055.21
		3,917.65	**4,426.43**
Total assets		**77,327.44**	**65,691.33**
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		
Attributable to equity holders of the parent		12,252.88	15,605.69
Non-Controlling Interests		162.71	120.67
		19,815.86	**23,124.16**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	16	3,531.02	3,572.13
Other non-current financial liabilities	17	41,427.37	28,161.33
Long term provisions	20	13.73	9.49
		44,972.12	**31,742.95**
Current Liabilities			
Financial liabilities			
Borrowings	16	168.84	661.97
Trade payables	18		
-Total outstanding dues of micro enterprises and small enterprises		9.56	14.03
-Total outstanding dues of creditors other than micro enterprises and small enterprises		4,975.01	3,966.36
Other current financial liabilities	17	4,827.68	4,033.22
Other current liabilities	19	1,247.04	1,107.38
Short term provisions	20	1,311.33	1,041.26
		12,539.46	**10,824.22**
Total equity and liabilities		**77,327.44**	**65,691.33**
Summary of significant accounting policies	2.2		

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

As per our report of even date

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

S.R. Batliboi & Associates LLP Bengaluru

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

Rohit MA
Managing Director
DIN No: 02501034

Madhusudhan P
Company Secretary

Sandeep Bardia
Chief Financial Officer

KIDS CLINIC INDIA PVT. LTD. BENGALURU

Place: Bengaluru
Date: July 27, 2021

Kids Clinic India Private Limited
Consolidated 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	55,458.69	51,630.27
Other income	23	1,263.75	967.82
Total income (i)		**56,722.44**	**52,598.09**
Expenses			
Cost of materials consumed	24	7,668.30	6,776.69
Employee benefits expense	25	11,215.60	10,108.75
Depreciation and amortization expense	26	7,891.25	7,373.43
Finance costs	27	4,842.03	4,764.41
Other expenses	28	28,929.37	27,556.82
Total expenses (ii)		**60,546.55**	**56,580.10**
Profit/ (Loss) before tax [(iii) = (i) - (ii)]		**(3,824.11)**	**(3,982.01)**
Tax expense	21		
Current tax		35.13	15.34
Deferred tax		(5.78)	(687.45)
Total tax expense (iv)		**29.35**	**(672.11)**
Profit/ (Loss) for the year [(v) = (iii) - (iv)]		**(3,853.46)**	**(3,309.90)**
Other comprehensive income			
Items not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		13.69	(26.69)
Income tax relating to above		(4.00)	7.76
Other comprehensive income ('OCI') (vi)		**9.69**	**(18.93)**
Total comprehensive income for the year [(vii) = (v) + (vi)] (comprising Profit/(Loss) and OCI for the year)		**(3,843.77)**	**(3,328.83)**
Profit/ (Loss) for the year			
Attributable to:			
Equity holders of the parent		(3,895.53)	(3,331.19)
Non-controlling interests		42.07	21.29
Other comprehensive income			
Attributable to:			
Equity holders of the parent		9.72	(18.86)
Non-controlling interests		(0.03)	(0.07)
Total comprehensive income/ (loss) for the year			
Attributable to:			
Equity holders of the parent		(3,885.81)	(3,350.05)
Non-controlling interests		42.04	21.22
Earnings/(Loss) per equity share	29		
[nominal value of share ₹ 10 (March 31, 2020: ₹ 10)]			
Basic and diluted (₹ per share)		(18.40)	(15.73)
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the Consolidated 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

S.R. Batliboi & Associates LLP Bengaluru

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

Rohit MA
Managing Director
DIN No: 02501034

Madhusudhan P
Company Secretary

Sandeep Bardia
Chief Financial Officer

Kids Clinic India Pvt. Ltd. Bengaluru

Place: Bengaluru
Date: July 27, 2021

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

A. Equity share capital:

	Notes	No. in Lakhs	₹
Issued, subscribed and paid-up share capital			
Equity shares of ₹10 each:	14		
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**

B. Instruments entirely in the nature of equity 14

Non-cumulative compulsorily convertible preference shares ('NCCCPS')		
As at April 01, 2019	146.44	6,738.41
Changes during the year		
As at March 31, 2020	**146.44**	**6,738.41**
Changes during the year	-	-
As at March 31, 2021	**146.44**	**6,738.41**

C. Other equity
(refer note 15) ₹

	Attributable to the Equity holders of the parent						Non - controlling Interests	Total
	Other contri-butions by owners	Reserves and surplus						
		Share based payment reserves	General Reserve	Securities premium	Retained earnings	Sub total		
As at April 01, 2019	-	**278.36**	**3.68**	**41,355.46**	**(22,790.67)**	**18,846.83**	**99.45**	**18,946.28**
Profit/ (Loss) for the year	-	-	-	-	(3,331.19)	(3,331.19)	21.29	(3,309.90)
Other comprehensive income	-	-	-	-	(18.86)	(18.86)	(0.07)	(18.93)
Total comprehensive income for the year	-	-	-	-	**(3,350.05)**	**(3,350.05)**	**21.22**	**(3,328.83)**
Compensation expense for share options granted	-	108.91	-	-	-	108.91	-	108.91
As at March 31, 2020	-	**387.27**	**3.68**	**41,355.46**	**(26,140.72)**	**15,605.69**	**120.67**	**15,726.36**
Profit/ (Loss) for the year	-	-	-	-	(3,895.53)	(3,895.53)	42.07	(3,853.46)
Other comprehensive income	-	-	-	-	9.72	9.72	(0.03)	9.69
Total comprehensive income for the year	-	-	-	-	**(3,885.81)**	**(3,885.81)**	**42.04**	**(3,843.77)**
Other contribution by owners	424.63	-	-	-	-	424.63	-	424.63
Compensation expense for share options granted	-	108.37	-	-	-	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**	**(30,026.53)**	**12,252.88**	**162.71**	**12,415.59**

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the Consolidated 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

S.R. Batliboi & Associates LLP Bengaluru

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

Rohit MA
Managing Director
DIN No: 02501034

Madhusudhan P
Company Secretary

Sandeep Bardia
Chief Financial Officer

Place: Bengaluru
Date: July 27, 2021

Kids Clinic India Pvt. Ltd. Bengaluru

Kids Clinic India Private Limited
Consolidated 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		**(3,824.11)**	**(3,982.01)**
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
Depreciation and amortization expense		7,891.25	7,373.43
Finance costs		4,842.03	4,764.41
Interest income on bank deposits		(57.97)	(65.52)
Interest income on income tax refund		(98.11)	(0.82)
Interest income on financial assets at amortised cost		(157.15)	(107.22)
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		31.52	(19.36)
Rent concessions		(428.05)	-
Share based payments expense		108.37	108.91
Provision for doubtful debts		60.07	105.90
Bad debts written off		14.48	4.95
Capital work in progress written off		-	210.00
Operating profit/(loss) before working capital changes		**8,210.64**	**8,147.04**
Movements in working capital :			
Increase in trade payables		1,449.42	1,139.32
Increase in other financial liabilities		96.79	1.85
Increase in other liabilities		289.27	68.05
Increase in provisions		287.99	173.77
(Increase) in trade receivables		(347.59)	(468.53)
Decrease/(increase) in inventories		345.39	(560.22)
(Increase) in loans		(230.88)	(261.28)
Decrease in other financial assets		45.71	24.30
(Increase)/decrease in other assets		(52.44)	90.82
Cash flow from/(used in) operations		**10,094.30**	**8,355.12**
Direct taxes (paid)/refunds, net		1,026.82	(405.79)
Net cash flow from/(used in) operating activities (A)		**11,121.12**	**7,949.33**
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)		(3,632.32)	(2,846.90)
Proceeds from sale of property, plant and equipment		3.14	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 flow (used in)/from investing activities (B)		**(3,906.87)**	**(1,992.16)**
Cash flows from financing activities			
Proceeds from issuance of preference share capital(including securities premium)		2.47	-
Proceeds from non-current borrowings		914.00	1,075.00
Repayment of non-current borrowings		(1,072.29)	(1,129.25)
Payment of principal portion of lease liabilities		(1,993.16)	(1,822.84)
Payment of interest portion of lease liabilities		(3,514.34)	(3,752.03)
Finance costs paid (other than interest portion of lease liabilities)		(858.68)	(993.29)
Net cash flow (used in)/from financing activities (C)		**(6,522.00)**	**(6,622.41)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		692.25	(665.24)
Cash and cash equivalents at the beginning of the year		(354.13)	311.11
Cash and cash equivalents at the end of the year		**338.12**	**(354.13)**
Components of cash and cash equivalents:			
Balances with banks:			
– In current accounts	13	460.38	278.32
Cash on hand	13	46.58	29.52
Less: Bank overdraft	16	(168.84)	(661.97)
Cash and cash equivalents reported in cash flow statement		**338.12**	**(354.13)**

Summary of significant accounting policies	2.2
Changes in liabilities arising from financing activities	13

The accompanying notes are an integral part of the Consolidated 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

S.R. Batliboi & Associates LLP Bengaluru

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

Raviganesh Venkataraman
Chief Executive Officer & Director
DIN No: 07336611

Rohit MA
Managing Director
DIN No: 02501034

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

Sandeep Bardia
Chief Financial Officer

Kids Clinic India Pvt. Ltd. Bengaluru

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

1. Corporate information

Kids Clinic India Private Limited ('the Company' or 'the Holding Company') is domiciled in India and incorporated on December 15, 2005, under the provisions of the Companies Act, 1956. The Holding Company and its subsidiary (hereinafter collectively referred to as "the Group") are engaged in providing services in the field of maternal, child and other related health care services.

The Consolidated financial statements were authorized for issue in accordance with a resolution of the directors on July 27, 2021.

2. Basis of preparation

The consolidated 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 consolidated financial statements.

The Consolidated 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 Consolidated 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 Group.
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 Group's consolidated 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 Group 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 31.

2.2 Summary of significant accounting policies

(a) Principles of consolidation

i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

ii. Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. The manner of accounting for any related goodwill is explained below.

iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

iv. The financial statements of all subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31 and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

v. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

vi. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses and tested for impairment annually.

When the Group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for and reclassified to profit or loss.

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vii. Investment in subsidiary:

The entity considered in the consolidated financial statements ('CFS') are listed below:

Name of the company	Country of Incorporation	Proportion of ownership interest
Acquity Lahs Private Limited	India	51.00%

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve.

(c) Use of estimates

The preparation of Consolidated 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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

(d) Current versus non-current classification

The Group 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 Group 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.

(e) 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 Group 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.

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(f) 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 Group 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 Group 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.

(g) 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.

(h) Leases

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

- Right-of-use assets

The Group 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 Group 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 Group 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 Group 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.

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Where the Group is lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are 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 Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group'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.

(i) 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.

(j) Impairment

A. Financial assets
The Group 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 Group 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 Group 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 Group 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 Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group'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 Group 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.

(k) 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.

(l) 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 Group 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 Group 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.

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Kids Clinic India Pvt. Ltd. Bengaluru

Contract balances
Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group 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 Group'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 Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 Group 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 Group'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.

(m) Foreign currency translation

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

Foreign currency transactions and balances
(i) Initial recognition
Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group 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.

(n) Retirement and other employee benefits

Defined contribution scheme
Retirement benefits in the form provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group 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 Group 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 Group 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 Group 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 Group 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 Group 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.

(o) 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.

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Kids Clinic India Pvt. Ltd. Bengaluru

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 Group 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.

(p) 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.

(q) Provisions

A provision is recognized when the Group 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 Group 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.

(r) 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 Group 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 Group 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.

(s) Financial Instruments

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs tbat 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 iuto 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.

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Kids Clinic India Pvt. Ltd. Bengaluru

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 Group 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 Group'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 Group 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 Group 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.

(t) 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 Group's cash management.

(u) Share based payment

Employees (including senior executives) of the Group 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 Group'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.

(v) Segment accounting policies

The Group 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.

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Group'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 Group'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 Group 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 Group. 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 Group 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 Group 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 Group 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 Group.

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 Group 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 Group would generate future profits from its operations. Basis the management's evaluation, the Group's business projections provide reasonable evidence that there would be taxable profits generated by the Group 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 – Group as lessee
The Group 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 Group has several lease contracts that include extension and termination options. The Group 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 Group 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.

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

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 Group's operations were impacted during the current year and accordingly the consolidated financial statements for the year ended March 31, 2021 are adversely impacted and not fully comparable with those of the earlier year.

The Group 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 Group, as at the date of the approval of these consolidated financial statements has used internal and external sources of information to assess the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on the current estimates, the Group 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 Group has incurred loss of ₹ 3,843.77 lakhs (March 31, 2020: ₹ 3,328.83 lakhs) and has accumulated losses of ₹ 30,026.53 lakhs as at March 31, 2021 (March 31, 2020: ₹ 26,140.72 lakhs). The Group 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 Group also has unutilised credit limit against its existing borrowings and also has total equity of ₹ 19,815.86 lakhs as at March 31, 2021 (March 31, 2020: ₹ 23,124.16 lakhs).

The Group's management has also estimated the future cash flows for the Group 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 consolidated financial statements.

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

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

3 Property, plant and equipment

₹

	Land	Lease-hold buildings	Leasehold improve-ments ('LHI')	Medical equipment & accessory	Other plant & machinery	Office equip-ment	Furniture & fittings	Comput-ers	Vehicles	Electrical installa-tions and equipment	Right of use assets	Total
Cost*												
At April 01, 2019	**600.00**	**1,670.50**	**16,343.99**	**7,358.94**	**3,695.67**	**1,120.09**	**1,214.78**	**512.46**	**304.24**	**1,342.21**	-	**34,162.88**
Ind AS 116 transition adjustment (note 31)	-	-	-	-	-	-	-	-	-	-	31,715.68	31,715.68
Additions	-	-	166.18	525.30	41.40	71.41	23.31	52.78	138.79	27.40	140.06	1,186.63
Disposals	-	-	39.36	20.29	-	6.80	-	-	128.07	-	-	194.52
At March 31, 2020	**600.00**	**1,670.50**	**16,470.81**	**7,863.95**	**3,737.07**	**1,184.70**	**1,238.09**	**565.24**	**314.96**	**1,369.61**	**31,855.74**	**66,870.67**
Additions	-	-	1,001.07	1,011.52	277.71	295.83	212.38	78.26	61.57	230.06	17,294.77	20,463.17
Disposals	-	-	7.84	101.74	9.95	2.97	26.04	53.67	19.69	2.65	-	224.55
At March 31, 2021	**600.00**	**1,670.50**	**17,464.04**	**8,773.73**	**4,004.83**	**1,477.56**	**1,424.43**	**589.83**	**356.84**	**1,597.02**	**49,150.51**	**87,109.29**
Depreciation												
At April 01, 2019	-	**312.22**	**3,865.03**	**1,671.79**	**661.65**	**523.79**	**359.31**	**356.36**	**116.28**	**385.53**	-	**8,251.96**
Charge for the year	-	104.39	1,697.85	586.63	249.75	211.78	128.34	99.35	44.81	121.15	4,062.04	7,306.10
Disposals	-	-	39.36	15.98	-	6.80	-	-	117.31	-	-	179.45
At March 31, 2020	-	**416.61**	**5,523.52**	**2,242.44**	**911.40**	**728.77**	**487.65**	**455.71**	**43.78**	**506.68**	**4,062.04**	**15,378.60**
Charge for the year	-	104.42	1,738.84	638.35	266.42	141.33	221.43	150.56	80.56	54.77	4,425.31	7,821.99
Disposals	-	-	6.85	81.63	5.62	2.36	23.92	47.23	19.67	2.65	-	189.93
At March 31, 2021	-	**521.03**	**7,255.51**	**2,799.16**	**1,172.20**	**867.74**	**685.16**	**559.04**	**104.67**	**558.80**	**8,487.35**	**23,010.66**
Net book value												
As at March 31, 2020	**600.00**	**1,253.89**	**10,947.29**	**5,621.51**	**2,825.67**	**455.93**	**750.44**	**109.53**	**271.18**	**862.93**	**27,793.70**	**51,492.07**
As at March 31, 2021	**600.00**	**1,149.47**	**10,208.53**	**5,974.57**	**2,832.63**	**609.82**	**739.27**	**30.79**	**252.17**	**1,038.22**	**40,663.16**	**64,098.63**

* On transition to Ind AS (i.e. April 01, 2015), the Group 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*		
At April 01, 2019	**230.84**	**230.84**
Additions	163.30	163.30
At March 31, 2020	**394.14**	**394.14**
Additions	13.01	13.01
Disposals	7.02	7.02
At March 31, 2021	**400.13**	**414.17**
Amortization		
At April 01, 2019	**111.33**	**111.33**
Charge for the year	67.34	67.34
At March 31, 2020	**178.67**	**178.67**
Charge for the year	69.26	69.26
Disposals	7.02	7.02
At March 31, 2021	**240.91**	**254.95**
Net book value		
As at March 31, 2020	**215.47**	**215.47**
As at March 31, 2021	**159.22**	**159.22**

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

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

7 Investments

	Current	
	March 31, 2021 ₹	March 31, 2020 ₹
Unquoted		
A. Investments at fair value through profit or loss		
Investment in mutual funds		
SBI Magnum Low Duration Fund - Regular Growth	202.65	-
7,368.06 units of ₹ 2,750.39 Each (March 31, 2020 : Nil)		
ICICI Prudential Savings Fund - Growth	200.59	-
48,218.36 units of ₹ 416.00 each (March 31, 2020 : Nil)		
ICICI Prudential Ultra Short Term Fund - Growth	201.51	
9,34,371.162 units of ₹ 21.5663 each (March 31, 2020 : Nil)		
Tata Liquid Fund - Direct Plan - Growth	-	150.59
Nil (March 31, 2020: 4,808 units of ₹ 3,131.98 each)		
Total Investments carried at fair value through profit or loss	**604.75**	**150.59**
Total Investments	**604.75**	**150.59**
a) Aggregate amount of quoted investments actively traded and market value thereof	604.75	150.59

8 Loans
(Unsecured, considered good)

	Non-current		Current	
	March 31, 2021 ₹	March 31, 2020 ₹	March 31, 2021 ₹	March 31, 2020 ₹
Security deposit	2,245.14	1,846.98	0.13	0.08
Loans to employees	-	-	25.16	35.34
	2,245.14	**1,846.98**	**25.29**	**35.42**

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 Group 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 32)*	-	-	79.39	90.54
Balances with statutory / government authorities	2.80	2.80	134.10	128.74
Prepaid expenses	65.79	55.30	158.31	110.57
Capital advances	415.59	399.07	-	-
	484.18	**457.17**	**371.80**	**329.85**
* Includes advances to ANI Technologies Private Limited in which Holding Company's director is a director.	-	-	0.07	0.37

11 Inventories
(valued at lower of cost and net realisable value)

	March 31, 2021 ₹	March 31, 2020 ₹
Pharmacy goods	808.76	1,154.15
	808.76	**1,154.15**

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

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

12 Trade receivables
(nnsecured)

		March 31, 2021 ₹	March 31, 2020 ₹
Trade receivables - considered good (refer note 32)*		1,306.42	1,053.99
Trade receivables - credit impaired		575.84	515.77
	(A)	**1,882.26**	**1,569.76**
Impairment allowance (allowance for bad and doubtful debts)			
Trade receivables - credit impaired		(575.84)	(515.77)
	(B)	**(575.84)**	**(515.77)**
Total trade receivables	(A+B)	**1,306.42**	**1,053.99**

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	515.77	409.87
Add: Provision made during the year	60.07	105.90
Balance as at end of the year	**575.84**	**515.77**
* Includes dues from director of Acquity Labs Private Limited	-	0.39

13 Cash and cash equivalents

	March 31, 2021 ₹	March 31, 2020 ₹
Balances with banks:		
- in current accounts	460.38	278.32
Cash on hand	46.58	29.52
	506.96	**307.84**

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 01, 2019	-	-	**3,562.88**	**1,229.63**	**22.66**	**4,815.17**
Lease liabilities recognised on initial application of Ind AS	30,251.88	1,822.84	-	-	-	32,074.72
Accretion of interest	3,752.03	-	-	-	996.13	4,748.16
Cash inflows						
Proceeds from non-current borrowings	-	-	1,075.00	-	-	1,075.00
Cash Outflows						
Repayment of non-current borrowings	-	-	(1,129.25)	-	-	(1,129.25)
Payment of principal portion of lease liabilities		(1,822.84)	-	-	-	(1,822.84)
Payment of interest portion of lease liabilities	(3,752.03)	-	-	-	-	(3,752.03)
Finance costs paid (other than interest portion of lease liabilities)	-	-	-	-	(993.29)	(993.29)
Change in Bank overdraft (forming part of cash and cash equivalents for statement of cash flow)	-	-	-	530.48	-	530.48
Others*	(2,148.79)	2,148.79	63.50	(63.50)	-	-
Balance as at March 31, 2020	**28,103.09**	**2,148.79**	**3,572.13**	**1,696.61**	**25.50**	**35,546.12**
Additions to Lease liabilities during the year	16,171.61	-	-	-	-	16,171.61
Accretion of interest	3,969.58	-	-	-	856.38	4,825.96
Cash inflows						
Proceeds from non-current borrowings	-	-	914.00	-	-	914.00
Cash Outflows						
Repayment of non-current borrowings	-	-	(1,072.29)	-	-	(1,072.29)
Payment of principal portion of lease liabilities	(1,993.16)	-	-	-	-	(1,993.16)
Payment of interest portion of lease liabilities	(3,514.34)	-	-	-	-	(3,514.34)
Finance costs paid (other than interest portion of lease liabilities)	-	-	-	-	(858.68)	(858.68)
Rent concessions (refer note 31)	(428.05)	-	-	-	-	(428.05)
Change in Bank overdraft (forming part of cash and cash equivalents for statement of cash flow)	-	-	-	(493.13)	-	(493.13)
Others*	(903.47)	903.47	117.18	(117.18)	-	-
Balance as at March 31, 2021	**41,405.26**	**3,052.26**	**3,531.02**	**1,086.30**	**23.20**	**49,098.04**

* 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	8	2,270.43	1,882.40
Trade receivables	12	1,306.42	1,053.99
Cash and cash equivalents	13	506.96	307.84
Other financial assets	9	1,375.25	1,421.06
		5,459.06	**4,665.29**

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14 Share capital

	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 of Class B1 of ₹ 100 each	428.21	428.21
44,00,000 (March 31, 2020: 44,00,000) 0.01% NCCCPS of Class C of ₹ 100 each	4,400.00	4,400.00
10,43,000 (March 31, 2020: 10,43,000) 0.01% NCCCPS of 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 of Class B1 of ₹ 100 each	428.21	428.21
43,89,540 (March 31, 2020: 43,89,540) 0.01% NCCCPS of Class C of ₹ 100 each	4,389.54	4,389.54
10,42,209 (March 31, 2020: 10,42,209) 0.01% NCCCPS of 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 Group 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 Group and there is no contractual obligation on the Group 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	4,389.55	43.89	4,389.55
Issued during the year	-	-	-	-
Outstanding at the end of the year	**43.89**	**4,389.55**	**43.89**	**4,389.55**
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**

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(b) Terms/ rights attached to equity shares

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of fully paid up equity shares is entitled to one vote per share. The Group 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 Group, the holders of equity shares would be entitled to receive remaining assets of the Group, 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 Group 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 Group on full liability basis. The Group 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 Group 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 Group on full liability basis. The Group 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 Group 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 Group on full liability basis. The Group 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 Group 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 Group on full liability basis. The Group 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 Group 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 Group on full liability basis. The Group 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group before conversion of NCCCPS Class C1, the holders of NCCCPS Class C1 will have priority over equity shares in the repayment of capital.

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Kids Clinic India Pvt. Ltd. Bengaluru

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

Name of the shareholder	March 31, 2021 No. in lakhs	March 31, 2021 % holding	March 31, 2020 No. in lakhs	March 31, 2020 % holding
Equity shares of ₹ 10 each fully paid				
Dr R Kishore Kumar	27.39	41.54%	27.39	41.54%
Scrips 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%
NCCCPS Class A of ₹ 10 each fully paid				
Matrix Partners India Investments, LLC	33.20	58.96%	33.20	58.96%
True North Fund V LLP	23.10	41.04%	23.10	41.04%
NCCCPS Class B of ₹ 10 each fully paid				
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%
NCCCPS Class B1 of ₹ 100 each fully paid				
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%
NCCCPS Class C of ₹ 100 each fully paid				
Indium V (Mauritius) Holdings Limited	21.71	49.47%	21.71	49.47%
True North Fund V LLP	22.18	50.53%	22.18	50.53%
NCCCPS Class C1 of ₹ 100 each fully paid				
True North Fund V LLP	10.42	100.00%	10.42	100.00%

(e) Shares reserved for issue under options

(i) The Group 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 Group, refer note 34.

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

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.

	March 31, 2021 ₹	March 31, 2020 ₹
Shared based payment		
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.

	March 31, 2021 ₹	March 31, 2020 ₹
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.

	March 31, 2021 ₹	March 31, 2020 ₹
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.

	March 31, 2021 ₹	March 31, 2020 ₹
Retained earnings		
Balance at the beginning of the year	(26,140.72)	(22,790.67)
Profit/(Loss) for the year	(3,895.53)	(3,331.19)
Other comprehensive income for the year*	9.72	(18.86)
Balance at the end of the year (E)	**(30,026.53)**	**(26,140.72)**
Other equity - attributable to equity holders of the parent [(F) = (A)+(B)+(C)+(D)+(E)]	**12,252.88**	**15,605.69**
Non-controlling interests		
Balance at the beginning of the year	120.67	99.45
Profit/(Loss) for the year	42.07	21.29
Other comprehensive income for the year*	(0.03)	(0.07)
Other equity - Non-controlling interests (G)	**162.71**	**120.67**
Total Other Equity [(F)+(G)]	**12,415.59**	**15,726.36**

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

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Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

16 Borrowings

	Effective interest rate	Maturity	March 31, 2021 ₹	March 31, 2020 ₹
Non-current borrowings				
Term loan				
Indian rupee term loan (secured)				
From banks [Refer note (i)]	7-12%	2020 - 2026	4,325.90	4,090.91
From financial institutions [Refer note (ii)]	11-14%	2020 - 2021	-	368.67
Indian rupee term loan from banks (unsecured)	13%	2021 - 2023	28.15	35.43
			4,354.05	**4,495.01**
Other loans				
Vehicle loan (secured) [Refer note (iii)]	7-8%	2020-2024	78.43	95.76
Loan from Director (unsecured) [Refer note (iv)]			16.00	16.00
Less: Current maturities of non-current borrowings disclosed under the head "Other current financial liabilities" (refer note 17)			(917.46)	(1,034.64)
Total non-current borrowings			**3,531.02**	**3,572.13**
Current borrowings				
Loan repayable on demand				
Bank overdrafts (secured) [Refer note (v)]	8-12%	On demand	168.84	661.97
Total current borrowings			**168.84**	**661.97**

Note:

(i) Indian rupee loan from bank (secured) is secured by all movable, immovable and current assets of the Holding 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) Indian rupee loan from the director (Dr Akash Navilebasappa) of subsidiary company Acquity is an unsecured and interest free loan. The loan can be repaid anytime after obtaining a no objection certificate from the Holding Group (Kids Clinic India Private Limited) regarding such repayment.

(v) Bank overdrafts is secured by all movable, immovable and current assets of the Group.

17 Other financial liabilities

	Non-Current		Current	
	March 31, 2021 ₹	March 31, 2020 ₹	March 31, 2021 ₹	March 31, 2020 ₹
Lease Liability (refer note 31)	41,405.26	28,103.09	3,052.26	2,148.79
Payable towards purchase of property, plant & equipment	-	-	165.64	304.16
Current maturities of non-current borrowings (note 16)	-	-	917.46	1,034.64
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
	41,427.37	**28,161.33**	**4,827.68**	**4,033.22**

18 Trade payables

	March 31, 2021 ₹	March 31, 2020 ₹
Trade payable		
- Total outstanding dues of micro and small enterprises (refer note 35 for details of dues to micro and small enterprises)	9.56	14.03
- Total outstanding dues of creditors other than micro and small enterprises		
- Payable to related parties (refer note 32)	3.07	27.21
- Payable to other parties	4,971.94	3,939.15
	4,984.57	**3,980.39**

Break up of financial liabilities carried at amortized cost	Notes	March 31, 2021 ₹	March 31, 2020 ₹
Borrowings (non-current)	16	3,531.02	3,572.13
Borrowings (current)	16	168.84	661.97
Current maturities of non-current borrowings	16	917.46	1,034.64
Trade payables	18	4,984.57	3,980.39
Other financial liabilities (excluding current maturities of non-current borrowings)	17	45,337.59	31,159.91
		54,939.48	**40,409.04**

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

19 Other liabilities

	Current	
	March 31, 2021	March 31, 2020
	₹	₹
Deferred revenue	2.06	2.01
Advance from customers	819.12	702.26
Statutory dues payable	345.63	384.36
Book overdraft	33.59	-
Others	46.64	18.75
	1,247.04	**1,107.38**

20 Provisions

	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	₹	₹	₹	₹
Provision for employee benefits				
Provision for gratuity (refer note 33)	13.73	9.49	604.39	466.24
Provision for leave benefits	-	-	706.94	575.02
	13.73	**9.49**	**1,311.33**	**1,041.26**

21 Income Tax

a) Deferred tax	March 31, 2021	March 31, 2020
	₹	₹
Deferred tax assets		
Impact of unabsorbed depreciation loss carried forward	4,239.63	4,238.84
Others	9.92	6.28
Gross deferred tax assets	**4,249.55**	**4,245.12**
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	2.65	-
Gross deferred tax liabilities	**2.65**	-
Net deferred tax assets	**4,246.90**	**4,245.12**

Notes:

1) Amount of deferred tax assets not recognised in the balance sheet:		
a) Deferred tax on unused tax losses*	4,029.49	4,029.49
b) Deferred tax on deductible temporary differences	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%/27.82% (as applicable to the Group). if it opts for not availing of certain specified exemptions or incentives. The Group 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 Group has continued to measure the current and deferred taxes at the normal rate of 29.12%./27.82%

b) Tax expenses

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

Statement of profit and loss	March 31, 2021	March 31, 2020
	₹	₹
Profit or loss section		
Current tax		
Current income tax charge	35.13	15.34
Deferred tax:		
Relating to unabsorbed depreciation	(4.01)	(693.26)
Others	(1.77)	5.81
Income Tax expense reported in the Statement of profit or loss	**29.35**	**(672.11)**
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
Income tax relating to re-measurement gains/ (losses) on defined benefit plans	4.00	(7.76)
Deferred tax charged to OCI	**4.00**	**(7.76)**

Reconciliation of deferred tax assets (net):	March 31, 2021	March 31, 2020
	₹	₹
Opening balance	4,245.12	3,549.91
Deferred tax credit/(charge) during the period recognised in profit or loss	5.78	687.45
Deferred tax credit/(charge) during the period recognised in OCI	(4.00)	7.76
Closing balance	**4,246.90**	**4,245.12**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:	March 31, 2021	March 31, 2020
	₹	₹
Accounting profit before income tax	(3,824.11)	(3,982.01)
Income tax rate (Holding Company/Subsidiary Company)	29.12%/27.82%	29.12%/27.04%
Tax on accounting profit at statutory income tax rate	(1,115.14)	(1,160.81)
Impact due to change in tax rate	0.04	236.49
Tax effect of temporary differences (other than unabsorbed depreciation loss) not recognised	1,144.30	251.95
Others	0.15	0.26
Tax expense reported in the statement of profit or loss	**29.35**	**(672.11)**

S.R. Batliboi & Associates LLP Bengaluru

KIDS CLINIC INDIA PVT. LTD. BENGALURU

(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	47,973.69	44,466.49
Sale of goods - Pharmacy goods	7,485.00	7,163.78
	55,458.69	**51,630.27**

22.1 Disaggregated revenue information

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

Revenue from contracts with customers	March 31, 2021 ₹	March 31, 2020 ₹
Revenue recognised over time	47,973.69	44,466.49
Revenue recognised at a point in time	7,485.00	7,163.78
	55,458.69	**51,630.27**

22.2 Contract balances

	March 31, 2021 ₹	March 31, 2020 ₹
Contract assets		
Trade receivables	1,306.42	1,053.99
Contract assets		
- Unbilled revenue	293.67	339.38
	1,600.09	**1,393.37**
Contract liabilities		
- Advance from customers	819.12	702.26
- Deferred Revenue	2.06	2.01
	821.18	**704.27**

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 and deferred revenue 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 contract liability at the beginning of the period	704.27	809.94

23 Other income

	March 31, 2021 ₹	March 31, 2020 ₹
Interest income on		
Bank deposits	57.97	65.52
Income tax refund	98.11	0.82
Other financial assets at amortised cost	157.15	107.22
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	-	19.36
Liabilities no longer required written back	149.61	173.40
Rent concessions*	428.05	-
Other non-operating income	350.78	529.28
	1,263.75	**967.82**

*Rent concessions represent concessions on rentals on account of COVID-19 (refer note 31).

24 Cost of Pharmacy goods consumed*

	March 31, 2021 ₹	March 31, 2020 ₹
Inventory at the beginning of the year	1,154.15	593.94
Add: Purchases during the year	7,322.91	7,336.90
	8,477.06	**7,930.84**
Less: Inventory at the end of the year	(808.76)	(1,154.15)
	7,668.30	**6,776.69**

*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.

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Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

25 Employee benefits expense

	March 31, 2021 ₹	March 31, 2020 ₹
Salaries, wages and bonus	10,092.10	9,105.66
Contribution to provident and other funds	852.94	759.44
Share based payments expense (refer note 34)	108.37	108.91
Staff welfare expenses	162.19	134.74
	11,215.60	**10,108.75**

26 Depreciation and amortization expense

	March 31, 2021 ₹	March 31, 2020 ₹
Depreciation of property, plant and equipment (note 3)	3,396.68	3,244.05
Depreciation of right of use assets (note 3)	4,425.31	4,062.04
Amortization of intangible assets (note 5)	69.26	67.34
	7,891.25	**7,373.43**

27 Finance costs

	March 31, 2021 ₹	March 31, 2020 ₹
Interest		
on borrowings from banks	432.86	503.51
on borrowings from financial institutions	38.46	63.85
on lease liability (refer note 31)	3,969.58	3,752.03
on other financial liabilities at amortised cost	16.07	16.25
Other charges	385.06	428.78
	4,842.03	**4,764.41**

28 Other expenses

	March 31, 2021 ₹	March 31, 2020 ₹
Rent (refer note 31)	91.45	102.53
Power and fuel	1,269.45	1,243.31
Laboratory and radiology expenses	1,052.18	1,007.81
Consumable costs	2,091.59	1,533.48
Housekeeping expenses	1,592.82	1,542.60
Food and beverages	699.66	563.58
Rates and taxes	75.80	151.89
Insurance	82.20	68.75
Repairs and maintenance		
Plant and machinery	417.00	345.75
Buildings	427.14	372.17
Others	127.89	87.63
Doctor's professional fees	16,775.74	16,373.26
Advertising and sales promotion	470.78	779.91
Brokerage and commission	59.77	38.00
Travelling and conveyance	167.38	280.87
Communication costs	341.13	312.40
Printing and stationery	304.71	322.89
Legal and professional fees	865.60	524.09
Photo expenses	282.88	253.22
Payment to auditors *	40.15	39.70
Provision for doubtful debts	60.07	105.90
Bad debts written off	14.48	4.95
Loss on disposal of asset	31.52	-
Capital work in progress written off	-	210.00
Software expenses	610.37	482.82
Security expenses	541.07	484.75
Donation	-	0.90
Miscellaneous expenses	436.54	323.66
	28,929.37	**27,556.82**

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

	March 31, 2021 ₹	March 31, 2020 ₹
As auditors:		
Statutory audit fee for standalone financial statements	30.00	29.50
Statutory audit fee for consolidated financial statements	7.00	7.00
Fee for audit of internal controls over financial reporting	3.00	3.00
Reimbursement of expenses	0.15	0.20
	40.15	**39.70**

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

29 **Earnings/(Loss) per share ('EPS')**		March 31, 2021 ₹	March 31, 2020 ₹
Profit/(Loss) after tax attributable to equity shareholders	**(A)**	**(3,895.53)**	**(3,331.19)**
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**	**(18.40)**	**(15.73)**

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.

30 **Commitments and contingencies**	March 31, 2021 ₹	March 31, 2020 ₹
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 Group 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 Group 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.

S.R. Batliboi & Associates LLP Bengaluru

KIDS CLINIC INDIA PVT. LTD. BENGALURU

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

31 Leases

A. Transition to Ind AS 116

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

The Group 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 Group 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) has been determined after deducting the below mentioned balances as at March 31, 2019 under Ind AS 17, and the amount of lease liability has 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		32,074.72
Less: Adjustment of balances as at March 31, 2019 under Ind AS 17:		
a) Lease equalisation reserve	(1,781.35)	
b) Deferred rent expenditure	1,325.10	
b) Prepaid lease related expenses	97.21	(359.04)
ROU Asset due to initial application of Ind AS 116 as at April 01, 2019		**31,715.68**

3. Lease liability as at April 01, 2019

	Lease Liability
Operating lease obligations (gross before discounting)	55,104.25
Less:- Effect of discounting at the incremental borrowing rate	(23,029.53)
Lease liabilities due to initial application of Ind AS 116 as at April 01, 2019	**32,074.72**

B. Group as Lessee

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

	Right-of-use Assets
Opening net carrying balance - As at March 31, 2020	**27,793.70**
Additions during the year	
a) Amount of lease liabilities recognised	16,171.61
b) Initial direct costs incurred	205.77
c) Difference between the lease deposit paid and present value of lease deposit at the lease inception	917.39
Depreciation during the year	(4,425.31)
Closing net carrying balance - As at March 31, 2021	**40,663.16**

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, 2019	32,074.72
Accretion of interest	3,752.03
Payments	(5,574.87)
Closing balance - As at March 31, 2020	**30,251.88**
Additions during the year	16,171.61
Less: Concession on rentals on account of COVID-19	(428.05)
Accretion of interest	3,969.58
Payments	(5,507.50)
Closing balance - As at March 31, 2021	**44,457.52**

Statement of profit and loss	**March 31, 2021**	**March 31, 2020**
Depreciation expense of right-of-use assets	4,425.31	4,062.04
Interest expense on lease liability	3,969.58	3,752.03
Expense relating to short-term leases (included in other expenses under rent)	91.45	102.53
Total amount recognised in profit and loss	**8,486.34**	**7,916.60**

Statement of cash flows	**March 31, 2021**	**March 31, 2020**
Cash outflow for leases - towards principal	1,993.16	1,822.84
Cash outflow for leases - towards interest	3,514.34	3,752.03

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

C. Group as lessor

The Group 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

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

32 Related party disclosures

A) Names of related parties and related party relationship

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') of the Holding Company	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
Key management personnel ('KMP') of the Subsidiary Company	Dr. Akash N, Managing Director (w.e.f. May 23, 2019) Dr. Bhanumathi Akash, Director Dr. R Kishore Kumar, Director Mr. Raviganesh Venkataraman, Director (from May 23, 2019) Mr. Sandeep Bardia, Director (w.e.f. Nov 28, 2019) Mr. Akash Malik, Director (upto May 23, 2019)
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	Suburban Diagnostics Private Limited (upto July 25, 2019) ANI Technologies Private Limited Cloudnine Foundation
Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year	
Chief financial officer	Mr Sandeep Bardia, Chief Financial Officer (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 expenses	Amount payable to/ (receivable from) related parties
Enterprises owned or significantly influenced by shareholders (True North Fund V LLP)						
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	-	-	-	-	-
Key managerial personnel / officers of the Group or their relatives						
Dr. R Kishore Kumar, Director	March 31, 2021	-	41.34	0.11	-	-
	March 31, 2020	-	62.99	1.92	-	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	-	-
Dr. Akash N, Director of Acquity	March 31, 2021	-	-	1.41	-	-
	March 31, 2020	-	-	1.40	-	(0.39)
Dr. Bhanumathi Akash, Director of Acquity	March 31, 2021	-	-	1.25	-	0.29
	March 31, 2020	-	-	1.61	-	0.10
Enterprises owned or significantly influenced by key management personnel or their relatives						
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	-	-	-	-	-

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

b. Loans taken and repayment thereof: ₹

	Year ended	Opening Balance	Loans taken	Repayment	Amount owed to the related parties
Key management personnel					
Dr. Akash N, Director	March 31, 2021	16.00	-	-	16.00
(refer note 16)	March 31, 2020	16.00	-	-	16.00
Dr. Bhanumathi Akash, Director	March 31, 2021	-	10.00	10.00	-
	March 31, 2020	-	-	-	-

c. Remuneration to key managerial personnel / officers of the Group 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
Dr. Akash N, Director	32.55	28.77
Dr. Bhanumathi Akash, Director	26.20	23.17
Mr. Madhusudhan P, Company Secretary	19.57	18.25
Total	**688.18**	**690.26**

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

d. Advances given and recovery thereof

	Year ended	Opening Balance	Advances given	Advances repaid	Amount owed by related parties
Key management personnel					
Dr. Akash N, Director	March 31, 2021	-	1.50	1.50	-
	March 31, 2020	-	-	-	-
Dr. Bhanumathi Akash, Director	March 31, 2021	-	2.00	2.00	-
	March 31, 2020	-	-	-	-

C) Other information

In respect of the transactions with the related parties, the Holding company and its subsidiary have 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 Holding company and its subsidiary.

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

33 Defined benefit plan - Gratuity

The Group 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 the funded status 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/loss			Benefits paid	Remeasurement (gains)/losses in OCI					Contri-butions by employer	March 31, 2021
		Current Service cost	Net interest expense / (income)	Sub-total included in profit or loss		Return on plan assets (exclud-ing amounts included in net interest expense)	Actuarial changes arising from changes in demo-graphic assump-tions	Actuarial changes arising from changes in financial assump-tions	Experi-ence adjust-ments	Sub-total iucluded in OCI		
DBO	638.09	224.02	42.99	267.01	(79.77)	-	3.98	23.92	(48.82)	(20.92)	-	804.41
FVoPA	(162.36)	-	(10.93)	(10.93)	79.77	7.23	-	-	-	7.23	(100.00)	(186.29)
Net liability - Gratuity	**475.73**	**224.02**	**32.06**	**256.08**	**-**	**7.23**	**3.98**	**23.92**	**(48.82)**	**(13.69)**	**(100.00)**	**618.12**

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/loss			Benefits paid	Remeasurement (gains)/losses in OCI					Contri-butions by employer	March 31, 2020
		Service cost	Net interest expense	Sub-total included in profit or loss		Return on plan assets (exclud-ing amounts included in net interest expense)	Actuarial changes arising from changes in demo-graphic assump-tions	Actuarial changes arising from changes in financial assump-tions	Experi-ence adjust-ments	Sub-total included in OCI		
DBO	502.55	186.30	38.73	225.03	(104.28)	-	(1.00)	46.51	(30.72)	14.79	-	638.09
FVoPA	(165.80)	-	(12.74)	(12.74)	104.28	11.90	-	-	-	11.90	(100.00)	(162.36)
Net liability - Gratuity	**336.75**	**186.30**	**25.99**	**212.29**	**-**	**11.90**	**(1.00)**	**46.51**	**(30.72)**	**26.69**	**(100.00)**	**475.73**

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

Particulars	March 31, 2021	March 31, 2020
Fund Managed by Insurer	100%	100%

The principal assumptions used in determining pension and post-employment benefit obligations for the Group's plans are shown below:

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.70%	6.75%
Future salary increase	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 assumption for Gratuity plan is as shown below:

Particulars	March 31, 2021				March 31, 2020			
Assumptions	Discount Rate		Future Salary Inc.		Discount Rate		Future Salary Inc.	
Sensitivity Level	-1%	1%	-1%	1%	-1%	1%	-1%	1%
Impact on defined benefit obligation - Gratuity	161.55	(102.36)	(96.97)	151.22	113.06	(90.49)	(86.71)	105.18
% change compared to base due to sensitivity	20.08%	-12.73%	-12.06%	18.80%	17.72%	(14.18%)	(13.59%)	16.48%

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:

Particulars	March 31, 2021	March 31, 2020
Within next 0-1 year	604.39	466.24
Within next 1-2 years	13.73	9.49
Total expected payments	**618.12**	**475.73**

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

34 Share based payment

The Holding Company provides share-based payment schemes to its employees. The Holding 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 "KCIPL ESOP 2013"for issue of stock options to various employees (including key employees) of the Holding 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 Holding 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

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.

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

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 (lakhs)	**WAEP*** ₹	**No. of options (lakhs)**	**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 "KCIPL ASOP 2013"for issue of stock options to various associates/consultants of the Holding 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 Holding 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 (lakhs)	**WAEP*** ₹	**No. of options (lakhs)**	**WAEP*** ₹
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

*Weighted Average Exercise Price

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.

S.R. Batliboi & Associates LLP Bengaluru

Kids Clinic India Pvt. Ltd. Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

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

	March 31, 2021 ₹	March 31, 2020 ₹
The principal amount remaining unpaid to any supplier	9.56	14.03
The amount of interest due and remaining unpaid to any supplier	-	-
The amount of interest paid by the Group 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.	-	-
	9.56	14.03

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

36 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, credit worthiness 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 Group's financial instruments:

₹

Particulars	March 31, 2021		March 31, 2020	
	Carrying Value	Fair Value (Level 1)	Carrying Value	Fair Value (Level 1)
Financial Assets				
Measured at fair value through profit and loss				
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				
Measured at amortised cost				
Loans	2,270.43	2,270.43	1,882.40	1,882.40
Trade receivables	1,306.42	1,306.42	1,053.99	1,053.99
Cash and cash equivalents	506.96	506.96	307.84	307.84
Other financial assets	1,375.25	1,375.25	1,421.06	1,421.06
Financial Liabilities				
Measured at amortised cost				
Borrowings	3,699.86	3,699.86	4,234.10	4,234.10
Trade payables	4,984.57	4,984.57	3,980.39	3,980.39
Other financial liabilities	46,255.05	46,255.05	32,194.55	32,194.55

37 Capital management

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

The Group 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	3,699.86	4,234.10
Trade payables	4,984.57	3,980.39
Other financial liabilities	46,255.05	32,194.55
	54,939.48	40,409.04
Less: Cash and cash equivalents	(506.96)	(307.84)
Net Debt (A)	**54,432.52**	**40,101.20**
Equity share capital	661.86	659.39
Instruments entirely equity in nature	6,738.41	6,738.41
Other equity	12,415.59	15,726.36
Equity (B)	**19,815.86**	**23,124.16**
Equity plus net debt (C = A + B)	**74,248.38**	**63,225.37**
Gearing ratio (D = A / C)	**73%**	**63%**

In order to achieve the objective of maximize shareholders value, the Group'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.

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38 Financial risk management objectives and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group'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 Group's profit/(loss) before tax is due to changes in the fair value of financial assets and liabilities.

Particulars	Change in interest rate	Effect of profit/(loss) before tax
March 31, 2021	+1%	(55.35)
	-1%	55.35
March 31, 2020	+1%	(46.68)
	-1%	46.68

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 Group'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 Group does not expect any credit risk with respect to these financial assets.

With respect to other financial assets, the Group has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Group 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 Group'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 Group's financial liabilities based on contractual undiscounted payments.

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Particulars	Maturity period	March 31, 2021	March 31, 2020
Financial liabilities - current			
Borrowings	On demand	168.84	661.97
Trade payables	Within 1 year	4,984.57	3,980.39
Other financial liabilities	Within 1 year	4,827.68	4,033.22
Financial liabilities - non-current			
Borrowings	Between 1-5 years	3,531.02	3,572.13
Other financial liabilities	Between 1-15 years	41,427.37	28,161.33

39 Unhedged foreign currency exposure

Net foreign currency exposure of the Group as at March 31, 2021: ₹ 36.85 lakhs (March 31, 2020: ₹ 10.02 lakhs).

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Kids Clinic India Pvt. Ltd. ★ Bengaluru

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

40 Financial information of the subsidiary

The consolidated financial statements of the Group includes the following subsidiary:

	% Equity Interest	
Name of the subsidiary entity	**March 31, 2021**	**March 31, 2020**
Acquity Labs Private Limited		
% Equity Interest held by the Group	51.00%	51.00%
% Equity Interest held by the non-controlling interests	49.00%	49.00%
	100.00%	100.00%

Financial information of subsidiary that have non-controlling interests:

(i) Summary of assets and liabilities	**March 31, 2021**	**March 31, 2020**
	₹	₹
Current assets	515.23	164.34
Non-current assets	586.52	320.57
Current liabilities	(579.22)	(196.48)
Non-current liabilities	(190.36)	(42.06)
Total Equity	**332.17**	**246.37**
Total Equity attributable to:		
Equity holders of the parent	169.46	125.70
Non-Controlling Interests	162.71	120.67
	332.17	**246.37**

(ii) Summary of profit and loss	**March 31, 2021**	**March 31, 2020**
	₹	₹
Total Income	1,462.64	708.23
Total Expenses	1,343.41	647.93
Profit before tax	119.23	60.30
Profit for the year	85.86	43.45
Total comprehensive income	85.81	43.30
Total comprehensive income attributable to:		
Equity holders of the parent	43.77	22.08
Non-Controlling Interests	42.04	21.22
	85.81	**43.30**

(iii) Summary of cash flows	**March 31, 2021**	**March 31, 2020**
	₹	₹
Net cash flow from/(used in) operating activities	162.61	45.96
Net cash flow from/(used in) investing activities	(275.96)	(76.57)
Net cash flow from/(used in) financing activities	94.12	(26.67)
Net cash inflow/(outflow) during the year	**(19.23)**	**(57.28)**

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

41 Statutory Group Information

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Name of the entity	Share in Net Assets (total assets minus total liabilities)			
	March 31, 2021		March 31, 2020	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
Holding Company				
Kids Clinic India Private Limited	98.32%	19,495.03	98.94%	22,889.14
Subsidiary				
Acquity Labs Private Limited	1.68%	332.18	1.06%	246.37
Sub-total	**100.00%**	**19,827.21**	**100.00%**	**23,135.51**
Less: Non-controlling interest in subsidiary				
Acquity Labs Private Limited		(162.71)		(120.67)
Adjustment arising on consolidation, net		(11.35)		(11.35)
Total		**19,653.15**		**23,003.49**

₹

Name of the entity	Share in total comprehensive income for the year ended March 31, 2021					
	As a % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Holding Company						
Kids Clinic India Private Limited	102.23%	(3,939.33)	100.62%	9.75	102.23%	(3,929.58)
Subsidiary						
Acquity Labs Private Limited	(2.23%)	85.87	(0.62%)	(0.06)	(2.23%)	85.81
Sub-total	**100.00%**	**(3,853.46)**	**100.00%**	**9.69**	**100.00%**	**(3,843.77)**
Less: Non-controlling interest in subsidiary						
Acquity Labs Private Limited		(42.07)		0.03		(42.04)
Adjustment arising on consolidation, net		-		-		-
Total		**(3,895.53)**		**9.72**		**(3,885.81)**

₹

Name of the entity	Share in total comprehensive income for the year ended March 31, 2020					
	As a % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Holding Company						
Kids Clinic India Private Limited	101.31%	(3,353.35)	99.21%	(18.78)	101.30%	(3,372.13)
Subsidiary						
Acquity Labs Private Limited	(1.31%)	43.45	0.79%	(0.15)	(1.30%)	43.30
Sub-total	**100.00%**	**(3,309.90)**	**100.00%**	**(18.93)**	**100.00%**	**(3,328.83)**
Less: Non-controlling interest in subsidiary						
Acquity Labs Private Limited		(21.29)		0.07		(21.22)
Adjustment arising on consolidation, net		-		-		-
Total		**(3,331.19)**		**(18.86)**		**(3,350.05)**

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Kids Clinic India Pvt. Ltd. Bengaluru

42 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 Group'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

S.R. Batliboi & Associates LLP Bengaluru

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

Rohit MA
Managing Director
DIN No: 02501034

Madhusudhan P
Company Secretary

Sandeep Bardia
Chief Financial Officer

Place: Bengaluru
Date: July 27, 2021

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