

## Independent Auditor's Report

### To the Members of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited)

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

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

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

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

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

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

Registered Office:

## Independent Auditor's Report (*Continued*)

### DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited)

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

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

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

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

#### Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our

**Independent Auditor's Report (Continued)**

**DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited)**

knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 01 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) of the Act and paragraph [2B(f)] below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 33 to the financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39(vii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above,

**Independent Auditor's Report (Continued)**

**DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited)**

contain any material misstatement.

- e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
  - i. The feature of recording audit trail (edit log) was not enabled at the application level for the accounting software used for maintaining the books of account relating to general ledger and other related records for certain fields and tables relating to areas such as revenue, inventory, procure to pay and property, plant and equipment.
  - ii. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the books of accounts relating to revenue process and general ledger.

Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention except for the period where audit trail was not enabled.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

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**Rahul Nayar**

*Partner*

Place: Gurugram

Date: 16 May 2025

Membership No.: 508605

ICAI UDIN:25508605BMOLMC2572

**Annexure A to the Independent Auditor's Report on the Financial Statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) for the year ended 31 March 2025**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, all items of property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section

**Annexure A to the Independent Auditor's Report on the Financial Statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) for the year ended 31 March 2025 (Continued)**

148(1) of the Act in respect of services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there has been a slight delay in one case of deposit of Labour Welfare Fund. As explained to us, the Company did not have any dues on account of Duty of Customs during the year.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of discount given to collection center and walk in patients, depreciation on goodwill, preliminary expenses	102.98	78.26	AY 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Disallowance of discount given to collection center and depreciation on goodwill	142.30	72.87	AY 2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Disallowance of discount	335.00	80.00	AY 2010-11	Commissioner of Income

**Annexure A to the Independent Auditor's Report on the Financial Statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) for the year ended 31 March 2025 (Continued)**

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
	given to hospitals				Tax (Appeals)
Income Tax Act, 1961	Non deduction of taxes on discount given to hospitals	81.20	-	AY 2010-11	High Court
Income Tax Act, 1961	Non deduction of taxes on discount given to hospitals	96.21	-	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Disallowance of discount given to hospitals	82.76	10.00	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Disallowance of discount given to collection center and walk in patients	94.41	10.00	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Disallowance of TDS credit	0.04	-	AY 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Disallowance of other expenses	22.00	-	AY 2020-21	Commissioner of Income Tax (Appeals)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

**Annexure A to the Independent Auditor's Report on the Financial Statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) for the year ended 31 March 2025 (Continued)**

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received by Fortis Healthcare Limited ("intermediate holding company") during the year and shared with us while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. According to the information and explanations given to us, the provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

**Annexure A to the Independent Auditor's Report on the Financial Statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) for the year ended 31 March 2025 (Continued)**


- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

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**Rahul Nayar**

*Partner*

Place: Gurugram

Date: 16 May 2025

Membership No.: 508605

ICAI UDIN:25508605BMOLMC2572

**Annexure B to the Independent Auditor's Report on the financial statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) for the year ended 31 March 2025**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

**Annexure B to the Independent Auditor's Report on the financial statements of DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) for the year ended 31 March 2025 (Continued)**

**Meaning of Internal Financial Controls with Reference to Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

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**Rahul Nayar**

*Partner*

Place: Gurugram

Date: 16 May 2025

Membership No.: 508605

ICAI UDIN:25508605BMOLMC2572

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**BALANCE SHEET AS AT 31 MARCH 2025**

	Notes	As at 31 March 2025 (Rupees in Lakhs)	As at 31 March 2024 (Rupees in Lakhs)
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	3,906.45	3,857.60
(b) Capital work-in-progress	3	294.87	-
(c) Right-of-use assets	32	6,045.48	5,513.27
(d) Goodwill	4	-	-
(e) Other intangible assets	4	9.34	36.22
(f) Financial assets			
(i) Other financial assets	5	1,492.69	1,497.25
(g) Deferred tax assets (net)	6	1,018.12	875.39
(h) Other tax assets (net)	7	582.68	424.67
(i) Other non-current assets	8	287.14	446.48
<b>Total Non-current assets</b>		<b>13,636.77</b>	<b>12,650.88</b>
<b>Current assets</b>			
(a) Inventories	9	732.95	750.66
(b) Financial assets			
(i) Trade receivables	10	900.97	1,045.08
(ii) Cash and cash equivalents	11	788.88	625.66
(iii) Bank balances other than (ii) above	12	17,785.54	12,067.44
(c) Other current assets	13	118.51	110.29
<b>Total Current assets</b>		<b>20,326.85</b>	<b>14,599.13</b>
<b>TOTAL ASSETS</b>		<b>33,963.62</b>	<b>27,250.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	50.00	50.00
(b) Other equity		22,806.85	17,851.29
<b>Total equity</b>		<b>22,856.85</b>	<b>17,901.29</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	-	11.57
(ii) Lease liabilities	32	5,226.78	4,812.77
(b) Provisions	16	951.95	773.86
<b>Total Non-current liabilities</b>		<b>6,178.73</b>	<b>5,598.20</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	11.57	11.80
(ii) Lease liabilities	32	1,218.48	921.00
(iii) Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises and		289.01	317.97
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,151.32	854.63
(iv) Other financial liabilities	19	1,978.23	1,339.41
(b) Other current liabilities	20	212.61	205.35
(c) Provisions	21	66.82	100.36
<b>Total Current liabilities</b>		<b>4,928.04</b>	<b>3,750.52</b>
<b>Total Liabilities</b>		<b>11,106.77</b>	<b>9,348.72</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>33,963.62</b>	<b>27,250.01</b>

See accompanying notes forming integral part of the financial statements

1-41C

In terms of our report attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm's Registration No.:101248W/W-100022

**Rahul Nayar**  
Partner  
Membership Number: 508605

Place: Gurugram  
Date: 16 May 2025

For and on behalf of the Board of Directors of  
**DDRC AGILUS PATHLABS LIMITED**  
(Formerly known as DDRC SRL DIAGNOSTICS LIMITED)

**ANAND KUPPUSWAMY**  
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**Anand Kuppuswamy**  
Director  
DIN: 02427196

Place: Gurugram  
Date: 16 May 2025

**AKSHAY KUMAR TIWARI**  
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**Akshay Kumar Tiwari**  
Director  
DIN: 07930333

Place: Gurugram  
Date: 16 May 2025

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Year ended 31 March 2025 (Rupees in Lakhs)	Year ended 31 March 2024 (Rupees in Lakhs)
<b>INCOME</b>			
<b>I</b> Revenue from operations	22	31,149.61	27,217.03
<b>II</b> Other income	23	1,050.49	731.44
<b>III Total Income (I+II)</b>		<b>32,200.10</b>	<b>27,948.47</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	24	5,455.79	5,150.34
Cost of tests outsourced		721.11	537.83
Employee benefits expense	25	6,805.37	6,395.30
Finance costs	26	648.88	568.59
Depreciation and amortisation expense	27	2,379.83	2,041.44
Other expenses	28	7,652.07	7,071.87
<b>Total expenses</b>		<b>23,663.05</b>	<b>21,765.37</b>
<b>V Profit before tax (III - IV)</b>		<b>8,537.05</b>	<b>6,183.10</b>
<b>VI Tax expense:</b>	29		
Current tax		2,308.03	1,738.95
Deferred tax credit		(119.87)	(128.33)
<b>Total tax expense</b>		<b>2,188.16</b>	<b>1,610.62</b>
<b>VII Profit for the year (V-VI)</b>		<b>6,348.89</b>	<b>4,572.48</b>
<b>VIII Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of defined benefit liabilities		(90.85)	(93.89)
(b) Income tax relating to items that will not be reclassified to profit or loss		22.87	23.63
<b>Total other comprehensive income/(loss) (net of Income tax) for the year</b>		<b>(67.98)</b>	<b>(70.26)</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>6,280.91</b>	<b>4,502.22</b>
<b>X Earnings per equity share (Face value of Rs. 10 each)</b>			
Basic (in Rs.)	30	1,269.78	914.50
Diluted (in Rs.)	30	1,269.78	914.50

See accompanying notes forming integral part of the financial statements 1-41C

In terms of our report attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm's Registration No.:101248W/W-100022

For and on behalf of the Board of Directors of  
**DDRC AGILUS PATHLABS LIMITED**  
(Formerly known as DDRC SRL DIAGNOSTICS LIMITED)

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**Rahul Nayar**  
Partner  
Membership Number: 508605

**Anand Kuppuswamy**  
Director  
DIN: 02427196

**Akshay Kumar Tiwari**  
Director  
DIN: 07930333

Place: Gurugram  
Date: 16 May 2025

Place: Gurugram  
Date: 16 May 2025

Place: Gurugram  
Date: 16 May 2025

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025**

**a. Equity share capital**

Particulars	(Rupees in Lakhs)
	Amount
<b>Balance as at 01 April 2023</b>	<b>50.00</b>
Add/(Less): Changes in share capital during the year	-
<b>Balance as at 31 March 2024</b>	<b>50.00</b>
Add/(Less): Changes in share capital during the year	-
<b>Balance as at 31 March 2025</b>	<b>50.00</b>

**b. Other equity**

Particulars	Reserves and surplus				Total other equity
	Capital reserve*	Securities premium**	Capital Redemption reserve***	Retained earnings ****	
<b>Balance as at 1 April 2024</b>	<b>448.12</b>	<b>925.88</b>	<b>1,125.00</b>	<b>15,352.29</b>	<b>17,851.29</b>
Profit for the year	-	-	-	6,348.89	6,348.89
Other comprehensive income for the year, (net of income tax)	-	-	-	(67.98)	(67.98)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,280.91</b>	<b>6,280.91</b>
Dividend (refer note below)	-	-	-	(1,325.35)	(1,325.35)
<b>Balance as at 31 March 2025</b>	<b>448.12</b>	<b>925.88</b>	<b>1,125.00</b>	<b>20,307.85</b>	<b>22,806.85</b>
<b>Balance as at 1 April 2023</b>	<b>448.12</b>	<b>925.88</b>	<b>1,125.00</b>	<b>13,187.17</b>	<b>15,686.17</b>
Profit for the year	-	-	-	4,572.48	4,572.48
Other comprehensive loss for the year, (net of income tax)	-	-	-	(70.26)	(70.26)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,502.22</b>	<b>4,502.22</b>
Dividend (refer note below)	-	-	-	(2,337.10)	(2,337.10)
<b>Balance as at 31 March 2024</b>	<b>448.12</b>	<b>925.88</b>	<b>1,125.00</b>	<b>15,352.29</b>	<b>17,851.29</b>

\* Represents reserve created consequent to redemption of preference shares.

\*\* The unutilised accumulated excess of issue price over the face value on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

\*\*\* Represents reserve created consequent to redemption of preference shares to the extent of face value of such preference shares redeemed as required under Companies Act.

\*\*\*\* Retained earnings are the accumulated profits earned by the company till date.

Note: During the current year, the Company has declared an interim dividend of Rs. 265.07 (31 March 2024: Rs. 467.42) per equity share.

**See accompanying notes forming integral part of the financial statements**

1-41C

In terms of our report attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's Registration No.:101248W/W-100022

**Rahul Nayar**

Partner

Membership Number: 508605

Place: Gurugram

Date: 16 May 2025

For and on behalf of the Board of Directors of

**DDRC AGILUS PATHLABS LIMITED**

**(Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**

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**Anand Kuppusswamy**

Director

DIN: 02427196

Place: Gurugram

Date: 16 May 2025

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**Akshay Kumar Tiwari**

Director

DIN: 07930333

Place: Gurugram

Date: 16 May 2025

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025**

	Year ended 31 March 2025 (Rupees in Lakhs)	Year ended 31 March 2024 (Rupees in Lakhs)
<b>A Cash flows from operating activities</b>		
<b>Profit before tax</b>	8,537.05	6,183.10
Adjustments for:		
Depreciation and amortisation expense	2,379.83	2,041.44
Interest expense	558.44	512.67
(Gain)/ Loss on termination of leases	(25.30)	(15.47)
Loss allowance for trade receivables	-	115.90
Loss on sale of property, plant and equipment (net)	10.87	8.37
Interest income	(1,013.48)	(713.00)
<b>Operating profit before changes in following assets and liabilities</b>	<b>10,447.41</b>	<b>8,133.01</b>
(Increase)/ decrease in trade receivables	144.11	(19.04)
(Increase) in financial & other assets	(30.93)	(170.13)
Decrease in inventories	17.71	281.34
(Decrease)/increase in trade payables	267.73	(563.68)
Increase in financial & other liabilities	694.19	668.83
Increase / (decrease) in provisions	(8.75)	14.10
<b>Cash generated from operations</b>	<b>11,531.47</b>	<b>8,344.43</b>
Less : Income taxes paid	(2,466.04)	(2,070.54)
<b>Net cash generated from operating activities</b>	<b>9,065.43</b>	<b>6,273.89</b>
<b>B Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1,291.57)	(1,351.29)
Proceeds on sale of property, plant and equipment	12.20	23.15
Proceeds from maturity of bank deposits	20,710.00	14,807.40
Investment in bank deposits	(26,290.00)	(16,838.19)
Interest received	804.35	595.53
<b>Net cash used in investing activities</b>	<b>(6,055.02)</b>	<b>(2,763.40)</b>
<b>C Cash flows from financing activities</b>		
Payment of dividend	(1,325.35)	(2,337.10)
Finance cost paid	(1.26)	(2.06)
Repayment of borrowings	(11.80)	(11.01)
Interest on lease liabilities	(494.77)	(457.75)
Lease payments	(1,014.01)	(825.26)
<b>Net cash used in financing activities</b>	<b>(2,847.19)</b>	<b>(3,633.18)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b>	163.22	(122.69)
Cash and cash equivalents at beginning of the year	625.66	748.35
<b>Cash and cash equivalents at end of the year</b>	<b>788.88</b>	<b>625.66</b>
<b>Changes in financial liabilities arising from financing activities</b>		
<b>Particulars</b>	<b>Borrowings (including interest accrued)</b>	<b>Lease liabilities</b>
<b>As at 01 April 2023</b>	<b>34.53</b>	<b>4,609.45</b>
Repayment of borrowings	(11.01)	-
Addition to lease liabilities	-	2,423.00
Derecognition of lease liabilities	-	(473.42)
Interest cost	2.01	457.75
Payment of lease liabilities (including interest of Rs. 457.75 lakhs)	-	(1,283.01)
Interest paid	(2.06)	-
<b>As at 31 March 2024</b>	<b>23.47</b>	<b>5,733.77</b>
<b>As at 01 April 2024</b>	<b>23.47</b>	<b>5,733.77</b>
Repayment of borrowings	(11.80)	-
Addition to lease liabilities	-	2,170.62
Derecognition of lease liabilities	-	(445.12)
Interest cost	1.21	494.77
Payment of lease liabilities (including interest of Rs. 494.77 lakhs)	-	(1,508.78)
Interest paid	(1.26)	-
<b>As at 31 March 2025</b>	<b>11.62</b>	<b>6,445.26</b>

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025**

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**Notes :**

- 1 During the year, the Company paid Rs. 153.19 lakhs (31 March 2024: Rs. 187.78 lakhs) towards corporate social responsibility expenditure (refer note 36).
- 2 Statement of cash flows for operating activities has been prepared in accordance with the "Indirect Method" as set out in the Ind AS 7 "Statement of Cash Flows".

**See accompanying notes forming integral part of the financial statements**

1-41C

In terms of our report attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's Registration No.:101248W/W-100022

**Rahul Nayar**

Partner

Membership Number: 508605

Place: Gurugram

Date: 16 May 2025

For and on behalf of the Board of Directors of

**DDRC AGILUS PATHLABS LIMITED**

**(Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**

ANAND

KUPPUSWAMY

**Anand Kuppuswamy**

Director

DIN: 02427196

Place: Gurugram

Date: 16 May 2025

AKSHAY

KUMAR TIWARI

**Akshay Kumar Tiwari**

Director

DIN: 07930333

Place: Gurugram

Date: 16 May 2025

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**DDRC AGILUS PATHLABS LIMITED**  
**(FORMERLY KNOWN AS DDRC SRL DIAGNOSTICS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

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**Note 1. Corporate Information**

DDRC Agilus Pathlabs Limited (formerly known as DDRC SRL Diagnostics Limited) (“the Company” or “DDRC”) is a public limited Company incorporated in 2006. The registered office of the Company is situated at 4th Floor, Prime Square, Plot No.1 Gaiwadi Industrial Estate, S.V.Road, Goregaon (West), Mumbai- 400062, Maharashtra, India and corporate office is situated at Express House Second Floor, Opposite Pothys Silks Banerjee Road, Kaloor, Ernakulam- 682017, Kerala, India.

The Company is in the business of establishing, maintaining and managing clinical reference laboratories to provide testing, diagnostics and prognostics monitoring/ screening tests services.

**Note 2. Material accounting policies**

This note provides a list of the material accounting policies adopted in the preparation of these financial statements (“financial statements”). The accounting policies adopted are consistent with those of the previous financial year.

**(a) Basis of preparation**

*(i) Statement of compliance*

These financial statements have been prepared in accordance with Indian Accounting Standards (‘Ind AS’) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time notified under section 133 of Companies Act, 2013, (‘Act’) and other relevant provisions of the Act. All the amounts included in the financial statements are reported in lakhs of Indian Rupees and are rounded to two decimals, except per share data.

The financial statements are approved for issue by the Company’s Board of Directors on 16 May 2025.

*(ii) Functional and presentation currency*

These financial statements are presented in Indian Rupees, which is also the Company’s functional currency.

*(iii) Historical cost convention*

The financial statements have been prepared under the historical cost.

**(b) Current/ Non-current classification**

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

**(c) Measurement of fair values**

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**DDRC AGILUS PATHLABS LIMITED**  
**(FORMERLY KNOWN AS DDRC SRL DIAGNOSTICS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

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

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

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

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**(d) Business combinations**

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

The cost of acquisition also includes the fair value of any contingent consideration. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

If the business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit and loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for

**DDRC AGILUS PATHLABS LIMITED**  
**(FORMERLY KNOWN AS DDRC SRL DIAGNOSTICS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

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this purpose, comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved, and they appear in the financial statements of the Company in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve (if credit) or revenue reserves (if debit) and if there are no reserves or inadequate reserves, to an amalgamation deficit reserve (if debit), with disclosure of its nature and purpose in the notes to the financial statements.

**(e) Property, plant and equipment (PPE) and intangible assets**

**(i) Property, plant and equipment**

Items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment loss. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**Transition to Ind AS**

The cost of property, plant and equipment at 1 April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

**(ii) Goodwill and other intangible assets**

- For measurement of goodwill that arises from business combination, refer to accounting policy thereon above. Subsequent measurement is at cost less any accumulated impairment losses.
- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.

**DDRC AGILUS PATHLABS LIMITED**  
**(FORMERLY KNOWN AS DDRC SRL DIAGNOSTICS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

- Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of Property, plant and equipment). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is recognised at fair value at the date of acquisition. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Following initial recognition, other intangible assets, including those acquired by the Group in a business combination and have finite useful lives are measured at cost less cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably.
- The cost of goodwill acquired is carried at cost. The goodwill is not amortised and tested for impairment annually or more frequently when there is indication that it may be impaired.

**Transition to Ind AS**

The cost of intangible assets at 1 April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

**(iii) Depreciation and amortization methods, estimated useful lives and residual value**

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets less their estimated residual values for cost of Property, plant and equipment as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for certain classes of Property, plant and equipment which are depreciated based on the internal technical assessment of the management.

The details of useful life are as under:

Category of assets	Management's estimate of useful life	Useful life as per Schedule II
Plant & Machinery (includes Laboratory equipments)	13 years	13 years
Office equipment	5 years	5 years
Furniture and fittings	10 years	10 years
Vehicles	4-8 years	8 years
Computers and accessories	3-6 years	3-6 years
Air conditioners	8 years	5 years

**DDRC AGILUS PATHLABS LIMITED**  
**(FORMERLY KNOWN AS DDRC SRL DIAGNOSTICS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

Depreciation on leasehold improvements is provided over the lease term or 5 years (which is the expected useful life), whichever is shorter.

Goodwill is not amortized and is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

Estimated useful lives of the other intangible assets are as follows:

Category of assets	Management's estimate of Useful Life
Software	3-6 years

Depreciation and amortization on property, plant and equipment and intangible assets added/ disposed off during the year has been provided on pro-rata basis with reference to the date of addition/ disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

**(iv) Derecognition**

Property, plant and equipment and intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible 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.

**(f) Impairment of non-financial assets**

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are Company together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Company of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Company of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

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

**(g) Financial instrument**

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

*Financial assets*

*Initial recognition and measurement*

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial assets (except trade receivable without a significant financing component) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. A trade receivable without a significant financing component is initially measured at the transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

*Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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 amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying

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amount of the financial asset or the amortised cost of the financial liability. Amortised 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 amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

*Debt instrument at FVOCI*

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

*Debt instrument at FVTPL*

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit or Loss.

*Impairment of financial assets*

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

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At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

*Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

*Write off of financial assets*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

*Financial liabilities*

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

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*Derecognition of financial liabilities*

A financial liability is derecognised 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 recognised in the Statement of Profit and Loss.

*Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(h) Inventories**

Inventories are valued at lower of cost or net realisable value, except scrap, which is valued at net estimated realisable value.

The Company uses weighted average method to determine cost for all categories of inventories. Cost includes all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

**(i) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of statement of cash flows, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

**(j) Contingent liabilities and contingent assets**

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

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Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

**(k) Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**(l) Revenue recognition**

Revenue primarily comprises medical testing charges. Medical testing charges consists of fees received for various tests conducted in the field of pathology and radiology.

Contracts with customers could include promises to transfer multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligation in the contract. Revenue for each distinct performance obligation is measured at an amount that reflects the consideration which the Company expects to receive in exchange for those services and is net of tax collected from customers and remitted to government authorities and applicable discounts and allowances including claims.

Revenue from Medical tests is recognized when the reports are generated, net of discounts, if any.

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers. Generally, each test represents a separate performance obligation for which revenue is recognised when the test report is generated i.e. when the performance obligation is

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satisfied. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for a test when registered separately is the best evidence of its standalone selling price. Any revenue transaction for which the Company has acted as an agent without assuming the risks and rewards of ownership have been reported on a net basis.

Excess of revenue recognised over billings on contracts is recorded in books as unbilled revenue. Unbilled revenue is classified as trade receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liabilities include deferred revenue. Deferred revenue is recognised as other current liability when there is billing in excess of revenue.

**(m) Employee benefits**

*Short-term employee benefits*

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

*Post-employment benefits*

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

- a) **Gratuity:**  
The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognised in the books of account based on actuarial valuation by an independent actuary.
- b) **Provident fund:**
  - (i) The Company's contribution to provident fund is treated as defined contribution plan under which an entity pays fixed contributions to government administered fund and will have no legal or constructive obligation to pay further amounts.
  - (ii) The Company's contribution to the provident fund is charged to Statement of Profit and Loss in the periods during which the related services are rendered by employees.

*Other long-term employee benefits:*

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

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*Actuarial valuation*

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are recognised immediately in the Statement of Changes in Equity with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced). Net interest expense is recognised as finance cost, and other expenses related to defined benefit plans are recognised as employee benefit expenses, in the statement of profit or loss.

**(n) Finance costs**

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest on lease liability is also considered as finance cost. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. General and specific borrowing costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

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**(o) Income tax**

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

*Current taxes*

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

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

*Deferred taxes*

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that:
  - is not a business combination; and
  - at the time of transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences
- temporary differences related to investments in subsidiaries, associates or joint ventures, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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

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

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**(p) Leases**

**(i) As a lessee**

The Company accounts for assets taken under lease arrangement in the following manner:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

The Company has elected not to recognise right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

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**(ii) As a lessor**

The Company accounts for assets given under lease arrangement in the following manner:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Assets subject to operating leases are included in Property, Plant and Equipment. Rental income on operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised on a straight line basis over the lease term.

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

**(q) Foreign currency translation**

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

**(r) Statement of cash flows**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**(s) Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") who is responsible for allocating resources and assessing performance of the operating

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segments. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

**(t) Earnings per share**

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity share.

**(u) Recognition of Interest income or expense**

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

**Note 2A. Critical estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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**Judgments**

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

- Leasing arrangement (classification) – Note 2(p) and Note 32
- Revenue recognition: whether the Company acts as an agent rather than as a principal in a transaction - Note 2(l)

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2025 is included in the following notes:

- Financial instruments - Note 2(g)
- Fair value measurement – Note 2(c) and Note 37B
- Measurement of ECL allowance for trade receivables and other assets – Note 2(g) and Note 10
- Assessment of useful life and residual value of property, plant and equipment and intangible assets – Note 2(e)
- Leasing arrangement (accounting) – Note 2(p) and Note 32
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note 35
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note 33
- Recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences. Note 2(o) and Note 6

**Note 2B. Recent Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**3 Property, Plant and Equipment**

		(Rupees in lakhs)								
		Leasehold improvements	Plant & Machinery (includes Laboratory equipment)	Air conditioners	Computers and accessories	Office equipment	Furniture and fittings	Vehicles	Total	Capital work in progress
<b>Gross carrying value</b>										
As at 01 April 2023		3,903.27	3,424.93	315.75	1,095.69	188.18	649.18	115.34	9,692.34	
Additions		678.32	350.83	81.12	81.24	41.40	90.14	-	1,323.05	
Disposals		87.24	109.64	2.39	19.87	0.60	12.09	1.57	233.40	
<b>As at 31 March 2024</b>		<b>4,494.35</b>	<b>3,666.12</b>	<b>394.48</b>	<b>1,157.06</b>	<b>228.98</b>	<b>727.23</b>	<b>113.77</b>	<b>10,781.99</b>	
Additions		543.73	294.56	62.84	69.12	49.69	50.20	27.50	1,097.64	294.87
Disposals		849.39	171.32	15.09	156.19	15.98	44.17	20.42	1,272.56	
<b>As at 31 March 2025</b>		<b>4,188.69</b>	<b>3,789.36</b>	<b>442.23</b>	<b>1,069.99</b>	<b>262.69</b>	<b>733.26</b>	<b>120.85</b>	<b>10,607.07</b>	<b>294.87</b>
<b>Accumulated depreciation</b>										
As at 01 April 2023		3,161.84	1,673.25	188.34	647.90	130.12	355.65	39.82	6,197.02	
Charge for the year		319.12	258.45	32.35	205.04	22.33	72.04	19.94	929.27	
Disposals		86.58	80.50	2.38	19.19	0.48	11.29	1.48	201.89	
<b>As at 31 March 2024</b>		<b>3,394.38</b>	<b>1,851.20</b>	<b>218.31</b>	<b>833.75</b>	<b>151.97</b>	<b>416.40</b>	<b>58.28</b>	<b>6,924.39</b>	
Charge for the year		408.21	270.57	40.61	190.77	24.97	70.69	19.90	1,025.72	
Disposals		849.32	158.23	14.38	151.15	15.23	43.58	17.60	1,249.49	
<b>As at 31 March 2025</b>		<b>2,953.27</b>	<b>1,963.54</b>	<b>244.54</b>	<b>873.37</b>	<b>161.71</b>	<b>443.51</b>	<b>60.58</b>	<b>6,700.62</b>	
<b>Net carrying amount</b>										
As at 31 March 2024		1,099.97	1,814.92	176.17	323.31	77.01	310.83	55.49	3,857.60	
<b>As at 31 March 2025</b>		<b>1,235.42</b>	<b>1,825.82</b>	<b>197.69</b>	<b>196.62</b>	<b>100.98</b>	<b>289.75</b>	<b>60.27</b>	<b>3,906.45</b>	<b>294.87</b>

**Capital work in progress ageing**

Particulars	(Rupees in lakhs)			
	Amount in CWIP for a period of			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
<b>Projects in progress</b>				Total
March 2025	294.87	-	-	294.87
March 2024	-	-	-	-
<b>Projects temporarily suspended</b>				
March 2025	-	-	-	-
March 2024	-	-	-	-

There are no projects where completion is overdue or has exceeded its cost compared to its original plan.

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**4 Goodwil and Other intangible assets**

	(Rupees in Lakhs)	
	Goodwill	Softwares
<b>Gross carrying value</b>		
As at 01 April 2023	1,120.02	358.86
Additions	-	10.45
<b>As at 31 March 2024</b>	<b>1,120.02</b>	<b>369.31</b>
Additions	-	5.75
<b>As at 31 March 2025</b>	<b>1,120.02</b>	<b>375.06</b>
<b>Accumulated amortisation</b>		
As at 01 April 2023	1,120.02	287.68
Amortisation	-	45.41
<b>As at 31 March 2024</b>	<b>1,120.02</b>	<b>333.09</b>
Amortisation	-	32.63
<b>As at 31 March 2025</b>	<b>1,120.02</b>	<b>365.72</b>
<b>Net carrying Value</b>		
As at 31 March 2024	-	36.22
<b>As at 31 March 2025</b>	<b>-</b>	<b>9.34</b>

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	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs)</b>
<b>5 Other financial assets</b>		
<b>Non-current</b>		
<i>(Unsecured considered good unless otherwise stated)</i>		
Security deposits	1,486.37	1,491.34
Balance with bank held as margin money*	6.32	5.91
<b>Total</b>	<b>1,492.69</b>	<b>1,497.25</b>

\*This includes interest accrued of Rs. 0.51 lakhs (Rs. 0.10 lakhs in previous year).

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs)</b>
<b>6 Deferred tax assets</b>		
Deferred tax assets	2,450.38	2,180.04
Deferred tax liabilities	(1,432.26)	(1,304.65)
<b>Deferred tax assets(net)</b>	<b>1,018.12</b>	<b>875.39</b>

The following is the analysis of deferred tax assets/ (liabilities) presented in the financial statements:

**Financial year 2024-25**

	<b>As at 1 April 2024</b>	<b>Recognised in profit or loss</b>	<b>Recognised in other comprehensive income</b>	<b>As at 31 March 2025</b>
<b>Deferred tax asset</b>				
Property, plant and equipment and intangible assets	406.37	56.80	-	463.17
Allowance for expected credit loss	34.70	-	-	34.70
Provision for gratuity	220.02	13.52	22.87	256.41
Lease liability	1,443.08	179.07	-	1,622.14
Expenditure allowed on actual payment basis	75.87	(1.90)	-	73.97
<b>Total deferred tax assets</b>	<b>2,180.04</b>	<b>247.48</b>	<b>22.87</b>	<b>2,450.39</b>
<b>Deferred tax liability</b>				
Right-of-use assets	(1,304.65)	(127.61)	-	(1,432.26)
<b>Total deferred tax liability</b>	<b>(1,304.65)</b>	<b>(127.61)</b>	-	<b>(1,432.26)</b>
<b>Deferred tax asset (net)</b>	<b>875.39</b>	<b>119.87</b>	<b>22.87</b>	<b>1,018.13</b>

**Financial year 2023-24**

	<b>As at 1 April 2023</b>	<b>Recognised in profit or loss</b>	<b>Recognised in other comprehensive income</b>	<b>As at 31 March 2024</b>
<b>Deferred tax asset</b>				
Property, plant and equipment and intangible assets	376.33	30.04	-	406.37
Allowance for expected credit loss	5.53	29.17	-	34.70
Provision for gratuity	179.53	16.86	23.63	220.02
Lease liability	1,160.11	282.97	-	1,443.08
Expenditure allowed on actual payment basis	67.48	8.39	-	75.87
<b>Total deferred tax assets</b>	<b>1,788.98</b>	<b>367.43</b>	<b>23.63</b>	<b>2,180.04</b>
<b>Deferred tax liability</b>				
Right-of-use assets	(1,065.55)	(239.10)	-	(1,304.65)
<b>Deferred tax asset (net)</b>	<b>723.43</b>	<b>128.33</b>	<b>23.63</b>	<b>875.39</b>

**7 Other tax assets (net)**

Advance tax and tax deducted at source*	582.68	424.67
<b>Total</b>	<b>582.68</b>	<b>424.67</b>
*Net of provision for tax	14,392.37	12,084.34

**8 Other non-current assets**

*(Unsecured considered good unless otherwise stated)*

Capital advances	25.62	180.36
Deposits against cases with income tax authorities	251.12	251.12
Advances to employees	10.40	15.00
<b>Total</b>	<b>287.14</b>	<b>446.48</b>

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	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs)</b>
<b>9 Inventories</b>		
<i>(Lower of cost and net realisable value)</i>		
Consumables : Reagents, chemicals and others	732.95	750.66
<b>Total</b>	<b>732.95</b>	<b>750.66</b>
<b>10 Trade receivables</b>		
<i>(Unsecured considered good, unless otherwise stated)</i>		
Secured, considered good	44.33	54.19
Unsecured, considered good	992.83	1,122.92
Unsecured, credit impaired	1.68	5.84
Less: Allowance for expected credit loss	(137.87)	(137.87)
	<b>900.97</b>	<b>1,045.08</b>
Gross Trade Receivables	1,038.84	1,182.95
Less: Allowance for expected credit loss	(137.87)	(137.87)
<b>Net Trade Receivables</b>	<b>900.97</b>	<b>1,045.08</b>

**Debtors Ageing- Outstanding for following periods from due dates of payment**

**Undisputed trade receivable- Considered good**

Not due	516.00	485.21
Less than 6 Months	454.29	607.60
6 Months-1 year	59.41	55.58
1-2 years	6.63	28.38
2-3 years	0.83	0.34
More than 3 years	-	-
<b>Total - A</b>	<b>1,037.16</b>	<b>1,177.11</b>

**Undisputed trade receivable- Credit impaired**

1-2 years	0.82	4.75
2-3 years	0.86	1.02
More than 3 years	-	0.07
<b>Total - B</b>	<b>1.68</b>	<b>5.84</b>

**Total - A + B**

	<b>1,038.84</b>	<b>1,182.95</b>
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**Notes:-**

- (a) Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The concentration of credit risk is limited due to the fact that the customer base is large. The Company further limits its credit risk by establishing a maximum credit period of upto 120 days for all its customers (other than related parties). There are no customers which represent more than 5% of the total balance of trade receivables (net) except as mentioned below:

**Customer Name**

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs)</b>
Karunya arogya suraksha padhathi (KASP)	97.87	61.47

- (b) In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection. The company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of customer default in making the repayments. The provision matrix takes into account historical credit loss experience and adjusted for forward- looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows :

**Ageing**

	<b>Expected credit loss %</b>	
	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs)</b>
Not Due	5%	6%
0-1 year	12%	12%
1-2 years	100%	100%
2-3 years	100%	100%
More than 3 Years	100%	100%

**Movement in the expected credit loss allowance**

Balance at beginning of the year	137.87	21.97
Add: Recognised during the year	-	115.90
Less: Bad debts written off	-	-
<b>Balance at end of the year</b>	<b>137.87</b>	<b>137.87</b>

Information about Company's exposure to credit risk and currency risk is disclosed in Note 37C

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	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs)</b>
<b>11 Cash and cash equivalents</b>		
Balances with banks	701.12	574.01
- On current accounts	87.76	51.65
Cash on hand		
<b>Total</b>	<b><u>788.88</u></b>	<b><u>625.66</u></b>
<b>12 Bank balances other than cash and cash equivalents</b>		
Balances with banks		
- deposits with original maturity of more than 3 months but less than 12 months*	17,785.54	12,067.44
<b>Total</b>	<b><u>17,785.54</u></b>	<b><u>12,067.44</u></b>
*This includes interest accrued of Rs. 375.54 lakhs (Rs. 237.44 lakhs in previous year).		
<b>13 Other current assets</b>		
<i>(Unsecured considered good unless otherwise stated)</i>		
Prepaid expenses	79.97	82.72
Advances to supplier and employees	38.54	27.57
<b>Total</b>	<b><u>118.51</u></b>	<b><u>110.29</u></b>

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
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**14 Equity share capital**

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	(Rupees in Lakhs)	Number of shares	(Rupees in Lakhs)
<b>Authorised share capital</b>				
Equity Shares of Rs. 10 each	10,00,000	100.00	10,00,000	100.00
<b>Total</b>	<b>10,00,000</b>	<b>100.00</b>	<b>10,00,000</b>	<b>100.00</b>
<b>Issued and subscribed &amp; Paid up share capital</b>				
Equity Shares of Rs.10 each fully paid up	5,00,000	50.00	5,00,000	50.00
<b>Total</b>	<b>5,00,000</b>	<b>50.00</b>	<b>5,00,000</b>	<b>50.00</b>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the year**

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	(Rupees in Lakhs)	Number of shares	(Rupees in Lakhs)
<b>Equity shares</b>				
Outstanding at the beginning of the year	5,00,000	50.00	5,00,000	50.00
Issued during the year	-	-	-	-
Shares converted during the year	-	-	-	-
Outstanding at the end of the year	<b>5,00,000</b>	<b>50.00</b>	<b>5,00,000</b>	<b>50.00</b>

**b) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 each. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Each holder of equity share is entitled to one vote per share.

**c) Shares held by holding Company/ultimate holding company and/or its subsidiaries :**

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	(Rupees in Lakhs)	Number of Shares	(Rupees in Lakhs)
<b>Equity shares of Rs. 10 each</b>				
Agilus Pathlabs Private Limited (Formerly SRL Diagnostics Private Ltd)	2,50,000	25.00	2,50,000	25.00
Agilus Diagnostics Limited (Holding company) (Formerly SRL Limited)	2,50,000	25.00	2,50,000	25.00
	<b>5,00,000</b>	<b>50.00</b>	<b>5,00,000</b>	<b>50.00</b>

**d) Details of shares held by each shareholder holding more than 5% shares :**

	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	% of Holding	Number of Shares	% of Holding
<b>Equity shares of Rs. 10 each</b>				
Agilus Pathlabs Private Limited (Formerly SRL Diagnostics Private Ltd)	2,50,000	50.00%	2,50,000	50.00%
Agilus Diagnostics Limited (Holding company) (Formerly SRL Limited)	2,50,000	50.00%	2,50,000	50.00%
	<b>5,00,000</b>	<b>100.00%</b>	<b>5,00,000</b>	<b>100.00%</b>

**e) Shareholding of Promoter**

Promoter's Name	No. of Shares as at 31 March 2024	Change during the year	No. of Shares as at 31 March 2025	% of Total Shares as on 31 March 2025	% Change during the year
	Agilus Pathlabs Private Limited (Formerly SRL Diagnostics Private Ltd)	2,50,000	-	2,50,000	50.00%
Agilus Diagnostics Limited (Formerly SRL Limited)	2,50,000	-	2,50,000	50.00%	-
	<b>5,00,000</b>	<b>-</b>	<b>5,00,000</b>	<b>100.00%</b>	<b>-</b>

Promoter's Name	No. of Shares as at 31 March 2023	Change during the year	No. of Shares as at 31 March 2024	% of Total Shares as on 31 March 2024	% Change during the year
	Agilus Pathlabs Private Limited (Formerly SRL Diagnostics Pvt Ltd)	2,50,000	-	2,50,000	50.00%
Agilus Diagnostics Limited (Formerly SRL Limited)	2,50,000	-	2,50,000	50.00%	-
	<b>5,00,000</b>	<b>-</b>	<b>5,00,000</b>	<b>100.00%</b>	<b>-</b>

**f) There are no shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date**

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	<b>As at 31 March 2025 (Rupees in Lakhs)</b>	<b>As at 31 March 2024 (Rupees in Lakhs)</b>
<b>15 Borrowings - Non Current</b>		
Term loans (from banks)		
Vehicle loans (Secured)*	11.62	23.47
Less: Interest accrued but not due on borrowings (refer note 19)	(0.05)	(0.10)
Less: Current maturities of non-current borrowings (refer note 17)	(11.57)	(11.80)
<b>Total</b>	<b>-</b>	<b>11.57</b>
*The Company has taken vehicle loan on the following terms:		
Rate of interest	7% p.a	7% p.a
Loan repayable in	48 monthly instalments	48 monthly instalments
The vehicle loan is secured by hypothecation of respective assets (vehicles).		
Information about the Company's exposure to interest rate and liquidity risks is included in Note 37C.		
<b>16 Provisions - Non current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 35)	951.95	773.86
<b>Total</b>	<b>951.95</b>	<b>773.86</b>
<b>17 Borrowing- Current</b>		
Current maturities of non-current borrowings (refer note 15)	11.57	11.80
	<b>11.57</b>	<b>11.80</b>
<b>18 Trade payables</b>		
- total outstanding dues of micro enterprises and small enterprises (refer note 40)	289.01	317.97
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,151.32	854.63
	<b>1,440.33</b>	<b>1,172.60</b>
<b>Trade payable Ageing- Outstanding for following periods from due dates of payment</b>		
<b>Undisputed- Micro enterprises and small enterprises</b>		
Not Due	256.52	257.88
Less than 1 year	32.02	42.42
1-2 years	0.47	17.67
	<b>289.01</b>	<b>317.97</b>
<b>Undisputed- Others</b>		
Not Due	457.78	275.08
Less than 1 year	691.65	577.69
1-2 years	1.89	1.86
	<b>1,151.32</b>	<b>854.63</b>
<b>Grand Total</b>	<b>1,440.33</b>	<b>1,172.60</b>
<b>19 Other financial liabilities -Current</b>		
Employee benefits payable	1,680.79	1,006.24
Payable for purchase of property, plant and equipment	153.61	201.62
Interest accrued but not due on borrowings (refer note 15)	0.05	0.10
Security deposits	143.78	131.45
<b>Total</b>	<b>1,978.23</b>	<b>1,339.41</b>
<b>20 Other current liabilities</b>		
Statutory dues payable	175.82	164.90
Deferred revenue	33.78	36.82
Advance from Customers	3.01	3.63
<b>Total</b>	<b>212.61</b>	<b>205.35</b>
<b>21 Provisions - Current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 35)	66.82	100.36
<b>Total</b>	<b>66.82</b>	<b>100.36</b>

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	Year ended <b>31 March 2025</b> (Rupees in lakhs)	Year ended <b>31 March 2024</b> (Rupees in lakhs)
<b>22 Revenue from operations</b>		
Sale of services	31,019.41	27,101.81
Other operating revenue		
- Affiliation Fees	130.20	115.22
<b>Total</b>	<b>31,149.61</b>	<b>27,217.03</b>
<b>23 Other income</b>		
Interest income earned on financial assets measured at amortised cost:		
- Bank deposits	940.82	653.55
- Security deposits	70.61	57.97
Interest income earned on:		
- Others	2.05	1.48
Gain on termination of lease	25.30	15.47
Miscellaneous income	11.71	2.97
<b>Total</b>	<b>1,050.49</b>	<b>731.44</b>
<b>24 Cost of materials consumed</b>		
Reagents, chemicals and consumables		
Inventories at the beginning of the year	750.66	1,031.99
Add: Purchase during the year (net)	5,438.08	4,869.01
	<b>6,188.74</b>	<b>5,901.00</b>
Less: Inventories at the end of the year	732.95	750.66
<b>Total</b>	<b>5,455.79</b>	<b>5,150.34</b>
<b>25 Employee benefits expense</b>		
Salaries, wages and bonus	5,987.66	5,577.76
Contribution to provident and other funds (refer note 35)	575.40	590.53
Gratuity expense (refer note 35)	117.60	107.26
Staff welfare expenses	124.71	119.75
<b>Total</b>	<b>6,805.37</b>	<b>6,395.30</b>
<b>26 Finance costs</b>		
Interest expense on financial liabilities measured at amortised cost:		
- borrowings	1.21	2.01
Interest expense on:		
- lease liabilities	494.77	457.75
- net defined benefit obligations (refer note 35)	62.46	52.90
- others	6.77	8.37
Bank Charges	83.67	47.56
<b>Total</b>	<b>648.88</b>	<b>568.59</b>
<b>27 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	1,025.72	929.27
Depreciation of right-of-use assets (refer note 32)	1,321.48	1,066.76
Amortisation of intangible assets	32.63	45.41
<b>Total</b>	<b>2,379.83</b>	<b>2,041.44</b>
<b>28 Other expenses</b>		
Rent (refer note 32)	867.36	834.97
Rates and taxes	30.57	53.63
Postage and courier	503.05	462.91
Fees to collection center / channel partners	1,929.79	1,421.08
Repairs and maintenance		
- Plant and machinery	241.21	228.07
- Building	51.26	97.89
- Others	100.06	135.16
Printing & stationery	282.87	313.60
Power & fuel	528.32	500.28
Communication	159.05	153.78
Travelling and conveyance	527.98	435.43
Professional fees to doctors	924.36	941.04
Legal and professional expenses (refer note below)	299.94	252.97
Advertisement & sales promotion	717.23	654.51
Security charges	77.78	67.93
Loss allowance on trade receivables (refer note 10)	-	115.90
Corporate social responsibility expenses (refer Note 36)	153.19	187.78
Loss on sale/disposal of property, plant and equipment (net)	10.87	8.37
Miscellaneous expense	247.18	206.57
<b>Total</b>	<b>7,652.07</b>	<b>7,071.87</b>
<b>Note: Payment to the auditors comprises (net of tax):</b>		
As Auditor		
i) Statutory audit	20.20	18.90
ii) Tax audit	2.27	2.10
In Other Capacity		
i) Reimbursement of expenses	3.37	2.65
	<b>25.84</b>	<b>23.65</b>

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	<b>Year ended 31 March 2025</b>		<b>Year ended 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>		<b>(Rupees in Lakhs)</b>
<b>29 (a) Income taxes</b>			
<b>Recognised in profit or loss:</b>			
Current tax	2,308.03		1,738.95
Deferred tax	(119.87)		(128.33)
<b>Total</b>	<b>2,188.16</b>		<b>1,610.62</b>
<b>Recognised in other comprehensive income:</b>			
Tax income/ (expense) related to items that will not be reclassified to profit or loss	22.87		23.63
	<b>22.87</b>		<b>23.63</b>
	<b>Year Ended 31 March 2025</b>		<b>Year Ended 31 March 2024</b>
	<b>%</b>	<b>(Rupees in lakhs)</b>	<b>(Rupees in lakhs)</b>
<b>(b) The income tax expense for the year reconciled to the accounting profit as follows:</b>			
<b>Profit before tax</b>		<b>8,537.05</b>	<b>6,183.10</b>
Tax using Company's domestic tax rate @ 25.17%	25.17%	2,148.60	1,556.16
Tax effect of :			
Non deductible expenses (net)	0.46%	39.56	54.46
<b>Income tax expense recognised in profit or loss</b>	<b>25.63%</b>	<b>2,188.16</b>	<b>26.05%</b>
		<b>2,188.16</b>	<b>1,610.62</b>
<b>30 Earnings per share (EPS)</b>			
Profit for the year		6,348.89	4,572.48
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)		5,00,000	5,00,000
Nominal value per share (in Rupees)		10.00	10.00
Earnings per share (Basic and Diluted) (in Rupees)		<b>1,269.78</b>	<b>914.50</b>

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**31 Related party disclosures**

**A. Related parties where control exists :**

(i) **Ultimate holding company**

IHH Healthcare Berhad

(ii) **Enterprises having control over the Company**

Fortis Healthcare Limited

Agilus Diagnostics Limited (Formerly SRL Limited)

**Nature of relationship**

Intermediate holding company

Holding company

**B. Other related parties with whom transactions have taken place**

Agilus Pathlabs Private Limited (Formerly SRL Diagnostics Pvt Ltd)

**Nature of relationship**

Associate/ Fellow subsidiary

**C. Transactions with related parties during the year**

	<b>Year ended 31 March 2025</b>	<b>Year ended 31 March 2024</b>
	<b>(Amount in lakhs.)</b>	<b>(Amount in lakhs.)</b>
(i) <b>Rendering of services:</b>		
Agilus Diagnostics Limited	54.64	36.11
(ii) <b>Receiving of services:</b>		
<b>(a) Legal &amp; Professional expenses</b>		
Agilus Pathlabs Private Limited	126.00	126.00
<b>(b) Cost of tests outsourced</b>		
Agilus Diagnostics Limited	704.80	520.85
(iii) <b>Purchase of Reagents and consumables</b>		
Agilus Diagnostics Limited	-	1.87
(iv) <b>Purchase of property, plant and equipment and other intangible assets</b>		
Agilus Diagnostics Limited	0.02	-
(v) <b>Sale of property, plant and equipment and other intangible assets</b>		
Agilus Diagnostics Limited	-	20.12
(vi) <b>Payment of Dividend</b>		
Agilus Diagnostics Limited	662.68	1,168.55
Agilus Pathlabs Private Limited	662.68	1,168.55
(vii) <b>Reimbursement of expenses from</b>		
Agilus Diagnostics Limited	4.18	5.55

**D. Balances outstanding at the year end :**

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Amount in lakhs.)</b>	<b>(Amount in lakhs.)</b>
<b>Trade payables</b>		
Agilus Pathlabs Private Limited	11.34	11.34
Agilus Diagnostics Limited	107.83	48.98
	<b>119.17</b>	<b>60.32</b>

**E. Terms and conditions of transactions with related parties**

The sale to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year end are unsecured and interest free and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial assumptions and the market in which the related parties operates.

**32 Leases**

**As lessee**

The Company has obtained lab premises and office premises on lease arrangements. The lease terms varies from 11 months to 11 years, renewable at the option of the Company. There are escalation clauses in some of the lease agreements that are generally linked to inflation. There are no restrictions imposed by the lease arrangements.

Information about leases for which the company is a lessee is presented below:

**(i) Right-of-use assets**

**Land & Building**

**Opening balance**

Additions to right of use assets  
Depreciation charge for the year  
Derecognition of right of use assets  
**Closing balance**

<b>As at</b>	<b>As at</b>
<b>31 March 2025</b>	<b>31 March 2024</b>
<b>(Amount in lakhs.)</b>	<b>(Amount in lakhs.)</b>
5,513.27	4,430.20
2,293.76	2,615.09
(1,321.48)	(1,066.76)
(440.07)	(465.26)
<b>6,045.48</b>	<b>5,513.27</b>

**(ii) Lease Liabilities**

**Maturity analysis - contractual undiscounted cash flows**

Less than one year  
One to five years  
More than five years

**Total undiscounted lease liabilities**

<b>As at</b>	<b>As at</b>
<b>31 March 2025</b>	<b>31 March 2024</b>
<b>(Amount in lakhs.)</b>	<b>(Amount in lakhs.)</b>
1,696.19	1,333.86
5,245.87	4,523.28
906.88	1,305.76
<b>7,848.94</b>	<b>7,162.90</b>

**Lease liabilities included in the balance sheet**

Current  
Non-current

1,218.48	921.00
5,226.78	4,812.77
<b>6,445.26</b>	<b>5,733.77</b>

**(iii) Amounts recognised in profit or loss**

**Expenses arising from leases:**

Interest on lease liabilities  
Expenses relating to short-term leases (including GST)

<b>Year Ended</b>	<b>Year Ended</b>
<b>31 March 2025</b>	<b>31 March 2024</b>
<b>(Amount in lakhs.)</b>	<b>(Amount in lakhs.)</b>
494.77	457.75
867.36	834.97

**(iv) Amounts recognised in statement of cash flows**

Total cash outflow for leases including interest of Rs. 494.77 Lakhs (Previous year Rs. 457.75 Lakhs)

<b>Year Ended</b>	<b>Year Ended</b>
<b>31 March 2025</b>	<b>31 March 2024</b>
<b>(Amount in lakhs.)</b>	<b>(Amount in lakhs.)</b>
1,508.78	1,283.01

**33 Contingent liabilities**

**(i) Claims against the Company, disputed by the Company, not acknowledged as debt**

<b>Particulars</b>	<b>As at</b>	
	<b>31 March 2025</b>	<b>31 March 2024</b>
Income tax*	957.31	957.31
Medical related	114.41	108.32
<b>Total</b>	<b>1,071.72</b>	<b>1,065.63</b>

\* Tax Paid under protest against the income tax demand is Rs. 251.12 Lakhs. (Previous Year: Rs. 251.12 lakhs)

The Company believes that none of the above matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements. The cash flow in respect of above matters are determinable only on receipt of judgements/ decisions pending at various stages/ forums.

**34 Commitments**

<b>Particulars</b>	<b>As at</b>	
	<b>31 March 2025</b>	<b>31 March 2024</b>
Commitments for the acquisition of property, plant and equipment (Net of advances paid Rs. 25.62 lakhs) (31 March 2024 : Rs. 180.36 lakhs)	455.66	129.71

The Company has other commitments, for purchase/sales orders which are issued after considering requirements per operating cycle for purchase/ sale of services, employee's benefits. However, the Company does not have any long term commitments or material non-cancellable contractual commitments/ contracts.

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**35 Employee benefits plans**

**(a) Defined contribution plans**

The Company makes contribution towards employees' provident fund, employees' state insurance plan scheme and labour welfare funds on behalf of the employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme. The Company has recognised following amount during the year as expense towards contribution to these plans.

	<b>Year ended 31 March 2025 (Rupees in Lakhs)</b>	<b>Year ended 31 March 2024 (Rupees in Lakhs)</b>
Provident fund	450.74	462.50
Employees' state insurance scheme	111.63	114.00
Labour Welfare Fund	13.03	14.03
	<b>575.40</b>	<b>590.53</b>

**(b) Defined benefit plans**

**Gratuity**

The Company has a defined benefit gratuity plan, wherein every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service in terms of the provisions of Gratuity Act, 1972. Gratuity plan is unfunded.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk, salary risk.

<b>Investment risk</b>	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
<b>Interest risk</b>	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt instruments.
<b>Longevity risk</b>	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
<b>Salary risk</b>	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial assumptions were as follows:

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
Discount rate	6.75%	7.15%
Expected rate of salary increase	6.00%	6.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Employee attrition rate		
Up to 30 years	15.00% p.a.	30.07% p.a.
31-44 years	7.00% p.a.	7.70% p.a.
Above 44 years	1.00% p.a.	1.18% p.a.

**Statement of profit and loss**

	<b>Year ended 31 March 2025 (Rupees in Lakhs)</b>	<b>Year ended 31 March 2024 (Rupees in Lakhs)</b>
<b>Service cost</b>		
Current service cost	117.60	107.26
Interest cost on net defined benefit obligation	62.46	52.90
<b>Recognised in Statement of Profit and Loss</b>	<b>180.06</b>	<b>160.16</b>

**Remeasurement on the net defined benefit liability:**

- Actuarial (gain)/loss arising from changes in demographic assumptions	22.42	-
- Actuarial (gain)/loss arising from changes in financial assumptions	79.51	88.76
- Actuarial (gain)/loss arising from experience adjustments	(11.08)	5.13
<b>Recognised in other comprehensive income</b>	<b>90.85</b>	<b>93.89</b>
	<b>270.91</b>	<b>254.06</b>

The current service cost and interest cost on net defined benefit obligation for the year are included in the 'Employee benefits expense' and 'Finance costs' line item respectively in the Statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

	<b>As at 31 March 2025 (Rupees in Lakhs)</b>	<b>As at 31 March 2024 (Rupees in Lakhs)</b>
<b>Balance sheet</b>		
<b>Details of Provision for gratuity</b>		
Present value of unfunded defined benefit obligation	1,018.77	874.22
	<b>1,018.77</b>	<b>874.22</b>

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	<b>Year ended 31 March 2025 (Rupees in Lakhs)</b>	<b>Year ended 31 March 2024 (Rupees in Lakhs)</b>
<b>Movement in the present value of the defined benefit obligation are as follows:</b>		
Opening defined benefit obligation	874.22	713.33
Current service cost	117.60	107.26
Interest cost	62.46	52.90
Remeasurement (gains)/ losses		
- Actuarial (gains)/losses arising from changes in demographic assumptions	22.42	-
- Actuarial gains arising from changes in financial assumptions	79.51	88.76
- Actuarial losses arising from experience adjustments	(11.08)	5.13
Benefits paid	(126.36)	(93.16)
<b>Closing defined benefit obligation</b>	<b>1,018.77</b>	<b>874.22</b>

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and attrition rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	<b>Year ended 31 March 2025 (Rupees in Lakhs)</b>	<b>Year ended 31 March 2024 (Rupees in Lakhs)</b>
If the discount rate is 100 basis points higher	920.90	802.37
If the discount rate is 100 basis points lower	1,134.83	957.98
If the expected salary growth increases by 1%	1,132.60	956.90
If the expected salary growth decreases by 1%	920.62	801.87
If attrition rate increases by 1%	1,017.75	878.92
If attrition rate decreases by 1%	1,019.57	868.66

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The defined benefit plans shall mature as follows:

<b>As at 31 March 2025</b>	<b>(Rupees in Lakhs)</b>
<b>Expected total benefits payments</b>	<b>Defined benefit obligation</b>
1st year	66.82
2nd Year	70.83
3rd Year	98.24
4th Year	66.66
5th year	86.88
Next 5 years	400.65

<b>As at 31 March 2024</b>	<b>(Rupees in Lakhs)</b>
<b>Expected total benefits payments</b>	<b>Defined benefit obligation</b>
1st year	100.36
2nd Year	78.57
3rd Year	71.99
4th Year	92.99
5th year	58.03
Next 5 years	394.36

The weighted average duration of the defined benefit obligation as at 31 March 2025 is 11 years (31 March 2024: 9 years).

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion and other relevant factors.

	<b>Year ended 31 March 2025 (Rupees in Lakhs)</b>	<b>Year ended 31 March 2024 (Rupees in Lakhs)</b>
<b>Experience adjustments</b>		
Experience adjustment on plan liabilities - (gain) / loss	(11.08)	5.13

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**36 Corporate social responsibility**

As per section 135 of the Companies Act, 2013 and the rules therein, the Company is required to spend at least 2% of the average net profit of past three years towards Corporate Social Responsibility (CSR). Details of the CSR expenses, as certified by Management, are as follows:

	<b>Year ended 31 March 2025</b>	<b>Year ended 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs)</b>
(i) amount required to be spent by the Company during the year,	153.19	187.78
(ii) amount approved by the Board to be spent during the year,	153.19	187.78
(iii) amount of expenditure incurred,		
(a) Construction/ acquisition of any asset	-	-
(b) On purposes other than (i) above	153.19	187.78
(iv) shortfall at the end of the year,	-	-
(v) total of previous years shortfall,	-	-
(vi) reason for shortfall,	-	-
(vii) nature of CSR activities,	Donated one Basic Cardiac Life Support (BCLS) ambulance to the authorities in the district of Thiruvananthapuram to enhance the healthcare capabilities within the district, supporting prompt and effective emergency responses. Contributed to NAPS scheme of central government	Donated one Advanced Cardiac Life Support (ACLS) ambulance and two Basic Cardiac Life Support (BCLS) ambulances to the authorities in the district of Thiruvananthapuram to enhance the healthcare capabilities within the district, supporting prompt and effective emergency responses.
		Contributed to Society of Community Oriented Operational Links (SCHOOL) under the theme of Primary Healthcare Upgrade, the focus is on elevating
(viii) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant accounting standard,	-	-
(ix) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

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**37 Financial instruments**

**37A Capital Management**

The Company manages its capital to ensure that Company will be able to continue as going concern. The Company manages its capital structure and makes adjustments in the light of changes in economic environment. The company reviews its capital structure on a periodic basis and considers the cost of capital and the risk associated with each class of capital. The Company is not subject to any externally imposed capital requirements.

The gearing ratio at end of reporting period was as follows

	<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
	<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs.)</b>
Debt (i)	11.57	23.37
Cash and bank balances (Refer Note 11)	788.88	625.66
Bank balances other than cash & cash equivalent (refer note 12)	17,785.54	12,067.44
<b>Net Debt/ (Surplus) A</b>	<b>(18,562.85)</b>	<b>(12,669.73)</b>
<b>Total equity (B)</b>	22,856.85	17,901.29
Net debt to equity ratio (A/B)	Nil	Nil

(i) Debt is defined as long term and short term borrowings as described in note 15 and 17

**37B. Fair value measurement**

		<b>Carrying value</b>	
		<b>As at 31 March 2025</b>	<b>As at 31 March 2024</b>
		<b>(Rupees in Lakhs)</b>	<b>(Rupees in Lakhs.)</b>
<b>Financial assets</b>			
<b>Not measured at fair value</b>			
Other financial assets - non current	(b)	1,492.69	1,497.25
Trade receivables	(a)	900.97	1,045.08
Cash and cash equivalents	(a)	788.88	625.66
Bank balances other than cash and cash equivalents	(a)	17,785.54	12,067.44
<b>Total</b>		<b>20,968.08</b>	<b>15,235.43</b>
<b>Financial liabilities</b>			
<b>Not measured at fair value</b>			
Borrowings : current *	(a)	11.57	11.80
Borrowings : non-current *	(b)	-	11.57
Lease liabilities - non current	(c)	5,226.78	4,812.77
Lease liabilities - current	(c)	1,218.48	921.00
Trade payables	(a)	1,440.33	1,172.60
Other financial liabilities - current	(a)	1,978.23	1,339.41
<b>Total</b>		<b>9,875.39</b>	<b>8,269.15</b>

\* Borrowings include interest bearing loans taken at market rate of interest from Banks.

The following methods / assumptions were used to estimate the fair values:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair valuation of non-current financial assets and liabilities have been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value. The fair valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.

(c) Fair value measurement of lease liabilities is not required to be disclosed.

There are no financial instruments which are valued under category Level 1, Level 2 and Level 3.

**37C Financial risk management objectives and Policies**

The Company's financial assets includes trade receivables, cash and cash equivalents and other financial assets that derive directly from it's operations. The Company's principal financial liabilities comprise trade payables, lease liabilities, other financial liabilities and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company has exposure to the following risk arising from financial instruments.

- (a) Credit risk
- (b) Market risk
- (c) Liquidity risk

The Company's board of directors manages the financial risk of the Company through internal risk report which analyse exposure by magnitude of risk.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligation and arises principally from the Company's receivable from customers. An impairment analysis is performed at each reporting date on an individual basis for major customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Also, management considers the factors that may influence the credit risk of its customer base, including the default risk associated with the individual characteristics of the customers.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require an exception approval as per Company policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are a direct client, collection centre, history of business with the Company and existence of previous financial difficulties.

The Company carries other financial assets such as cash & bank balances, bank deposits, security deposits etc. The security deposit pertains to rent deposit given to lessors. Bank deposits are held with banks with good credit ratings and the company does not expect any losses. Based on historical experience, the Company does not expect any significant risk of default.

The Company's maximum exposure to credit risk for each of the above categories of financial assets is their carrying values as at the reporting dates.

Refer note 10 for details on impairment losses on financial assets recognised in the profit or loss.

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**(b) Market risk**

Market risk is the risk of loss of future earnings, risk of loss due to change in interest rates, fair values or future cash flows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, and other market changes that affect market risk sensitive instruments.

Market risk includes:

- (i) Foreign currency risk
- (ii) Interest rate risk
- (iii) Other price risk

**(i) Foreign currency risk**

There are no foreign currency balances outstanding as at 31 March 2025.

**(ii) Interest rate risk**

The Company is not exposed to interest rate risk because the Company does not borrow funds at floating interest rates. As on 31 March 2025, the Company has borrowings from banks at fixed interest rate.

**(iii) Other price risk**

There is no other price risk for the company

**(c) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash. The Company's ultimate responsibility for liquidity risk management rests with the board of directors, who have established an appropriate liquidity risk management framework of the company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities.

The company's principal sources of liquidity are cash and cash equivalents and cash flow that is generated from operations.

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

As at 31 March 2025	Contractual cash flows			(Rupees in lakhs)
	0-1 year	Beyond 1 year	Total Amount	Carrying Amount
<b>Non interest bearing instruments</b>				
Lease liabilities (Current)	1,696.19	-	1,696.19	1,218.48
Lease liabilities (Non-current)	-	6,152.75	6,152.75	5,226.78
Trade payables	1,440.33	-	1,440.33	1,440.33
Employee benefits payable	1,680.79	-	1,680.79	1,680.79
Payable towards property, plant and equipment	153.61	-	153.61	153.61
Security deposits	143.78	-	143.78	143.78
<b>Fixed interest bearing instruments</b>				
Borrowings (including interest accrued)	11.97	-	11.97	11.62
	<b>5,126.67</b>	<b>6,152.75</b>	<b>11,279.42</b>	<b>9,875.39</b>
<b>As at 31 March 2024</b>				
	Contractual cash flows			Carrying Amount
	0-1 year	Beyond 1 year	Total Amount	
<b>Non interest bearing instruments</b>				
Lease liabilities (Current)	1,333.86	-	1,333.86	921.00
Lease liabilities (Non-current)	-	5,829.04	5,829.04	4,812.77
Trade payables	1,172.60	-	1,172.60	1,172.60
Employee benefits payable	1,006.24	-	1,006.24	1,006.24
Payable towards property, plant and equipment	201.62	-	201.62	201.62
Security deposits	131.45	-	131.45	131.45
<b>Fixed interest bearing instruments</b>				
Borrowings (including interest accrued)	13.06	11.97	25.03	23.47
	<b>3,858.83</b>	<b>5,841.01</b>	<b>9,699.84</b>	<b>8,269.15</b>

The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**38. Ratio Analysis**

Ratio	in times/ %	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	% Variance	Remarks
Current ratio	in times	Current Assets	Current Liabilities	4.12	3.89	6%	
Debt- Equity Ratio	in times	Total Debt	Shareholder's Equity	0.28	0.32	-12%	
Debt Service Coverage ratio	in times	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	6.07	5.46	11%	
Return on Equity ratio	in %	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	31.15%	27.19%	15%	
Inventory Turnover ratio	in times	Cost of material consumed + cost of tests outsourced	Average Inventory	8.33	6.38	30%	Increase in inventory turnover ratio due to increase in consumption and decrease in average inventory.
Trade Receivables Turnover Ratio	in times	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.74	5.17	31%	Increase in trade receivable turnover ratio due to increase in credit sales.
Trade Payables Turnover Ratio	in times	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.16	3.35	24%	Increase in trade payable turnover ratio due to increase in credit purchases and decrease in average trade payables.
Net Capital Turnover Ratio	in times	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	2.01	2.50	-19%	
Net Profit ratio	in %	Net Profit after taxes	Net sales = Total sales - sales return	20.47%	16.87%	21%	
Return on Capital Employed	in %	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	31.06%	28.38%	9%	

The Company has not presented return on investment since the Company invests surplus temporary funds in short term bank deposits and the income generated is insignificant to total turnover.

**39. Additional notes**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (iv) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ix) The Company has used the borrowings from Banks and financial institutions for the specific purpose for which it was taken.
- (x) The Company has not granted any loan or advances in nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- (xi) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (xiii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**DDRC AGILUS PATHLABS LIMITED (Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**40 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006**

	<b>As at 31 March 2025 (Rupees in lakhs)</b>	<b>As at 31 March 2024 (Rupees in lakhs)</b>
The principal amount remaining unpaid as at the end of year	265.47	298.32
Interest due on above principal and remaining unpaid as at the end of the year	0.98	0.32
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	2.92	1.28
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	23.54	19.65
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

**41A Disclosure as per Ind AS 115 - Revenue from contracts with customers**

i) Particulars	<b>As at 31 March 2025 (Rupees in Lakhs)</b>	<b>As at 31 March 2024 (Rupees in Lakhs)</b>
	<b>Trade receivables</b>	<b>900.97</b>
<b>Contract liabilities</b>		
Deferred revenue	33.78	36.82
Advance from customers	3.01	3.63
<b>Total</b>	<b>36.79</b>	<b>40.45</b>

No information is provided about remaining performance obligations at 31 March 2025 or at 31 March 2024 that have an original expected duration of one year or less, as allowed by Ind AS 115.

ii (a) **Disaggregation of revenue by Geographical region**

The Company operates only in one geographical region i.e. India, hence there is no disaggregation of revenue by geography.

ii (b) **Disaggregation of revenue by sales channel**

Particulars	<b>As at 31 March 2025 (Rupees in Lakhs)</b>	<b>As at 31 March 2024 (Rupees in Lakhs)</b>
	Owned labs	27,986.90
Collection center	3,032.51	1,506.51
<b>Total</b>	<b>31,019.41</b>	<b>27,101.81</b>

**41B Operating segments**

(a) **Basis for segmentation**

The company is engaged in the business of maintaining and managing clinical reference laboratories, to provide testing and diagnostics on human beings, in the field of pathology. As the company's business activity primarily falls within a single business segment i.e. pathology services, there are no disclosures required to be provided in terms of Ind AS 108 on 'Segment Reporting'.

(b) **Geographical information**

The Company provides services to customers in India. Further, there are no non-current assets located outside India.

(c) **Major customer**

The Company does not derive revenue from one customer which would amount to 10 per cent or more of the entity's revenue.

**41C** Government of Kerala vide notification dated 22 June 2023 has revised the minimum rates of wages payable to the employees. The Company has filed a writ petition against the said notification in the High Court of Kerala at Ernakulam on 10 November 2023. Subsequently, the Hon'ble High Court passed an interim order stating that no coercive steps shall be taken against the petitioner. The Company has recorded a provision of Rs.1103.33 lakhs in books as at 31 March 2025 (31 March 2024: Rs. 548.85 lakhs) for the difference between the revised minimum wages as per the notification and the actual wages being paid.

In terms of our report attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's Registration No.:101248W/W-100022

**Rahul Nayar**

Partner

Membership Number: 508605

Place: Gurugram

Date: 16 May 2025

For and on behalf of the Board of Directors of

**DDRC AGILUS PATHLABS LIMITED**  
**(Formerly known as DDRC SRL DIAGNOSTICS LIMITED)**

**ANAND  
KUPPUSWAMY**

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ANAND KUPPUSWAMY  
Date: 2025.05.16  
14:34:34 +05'30'

**Anand Kuppuswamy**

Director

DIN: 02427196

Place: Gurugram

Date: 16 May 2025

**AKSHAY  
KUMAR TIWARI**

Digitally signed by  
AKSHAY KUMAR TIWARI  
Date: 2025.05.16  
14:21:59 +05'30'

**Akshay Kumar Tiwari**

Director

DIN: 07930333

Place: Gurugram

Date: 16 May 2025