



ESG

Impact Assessment Report

April 2025

TABLE OF CONTENTS

ABOUT THE REPORT	4
INTRODUCTION.....	5
ABOUT KRSNAA DIAGNOSTICS	5
Geographical Presence	6
Services Provided.....	7
Krsnaa's Journey	7
ESG OVERVIEW OF KRSNAA.....	9
ENVIRONMENTAL ASPECTS	10
1. Energy Consumption and GHG Emissions	10
2. Water Consumption	11
3. Waste Management.....	12
SOCIAL ASPECTS	13
1. Employees and Workforce	13
2. Skill Enhancement and Safety Training	14
3. Compensation and Benefits	14
4. Promotion of Human Rights	15
5. Data and Information Security	16
6. Corporate Social Responsibility (CSR) Initiatives.....	16
GOVERNANCE ASPECTS	17

1. Management and Process Disclosures.....	17
2. Governance Policies.....	18
3. Stakeholder Engagement.....	18
4. Grievance Redressal.....	19
<i>MATERIALITY ASSESSMENT</i>	20
<i>ESG PROGRESS OF KRSNAA</i>	23
<i>CONCLUSION</i>	24

ABOUT THE REPORT

This Environmental, Social, and Governance (ESG) Impact Report highlights the growing importance of ESG issues as they transition from being part of Corporate Social Responsibility (CSR) to becoming a fundamental business imperative. The reporting period for this report is from **October 1, 2022, to January 31, 2025**. The reporting boundary encompasses all operations and business segments of Krsnaa Diagnostics.

The assessment was conducted through a thorough desktop review and analysis of information provided by Krsnaa and data available in public domain. The observations of impact are primarily derived from an evaluation of the company's internal documentation, including reports, policies, and other relevant data/information provided by Krsnaa.

An ESG Impact assessment of Krsnaa has been conducted to monitor the company progress and ensure that the Company is operating and growing in sustainable manner.



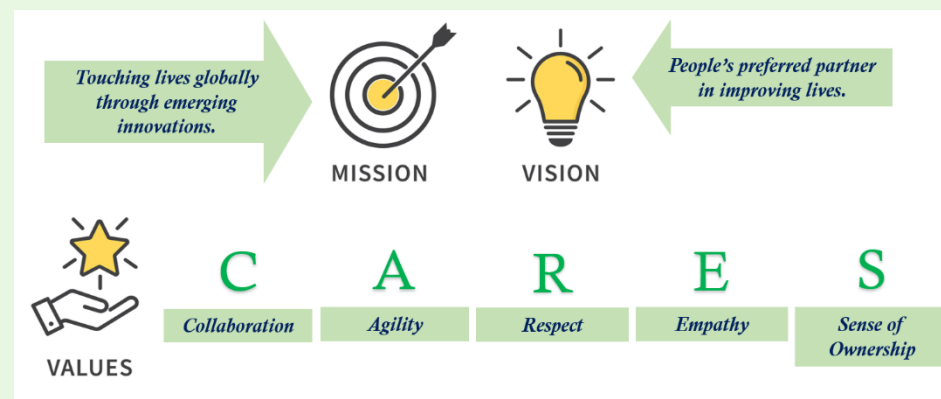
INTRODUCTION

INDUS Environmental Services Pvt. Ltd. (“INDUS”) has been engaged by **PHI Capital** (“PHI or Fund”) to conduct an **Environmental, Social, and Governance (ESG) Impact Assessment** for its portfolio company – **Krsnaa Diagnostics Ltd.** (“Krsnaa” or “Company”) of Fund-II against the Environmental and Social (E&S) goals and to assess the value creation that the fund creates through the portfolio in terms of ESG aspects. The assessment has been conducted through a desk-based exercise and covers the overview of ESG impact of Krsnaa, covering its complete business operations.

This comprehensive assessment aims to evaluate the Company’s adherence to sustainable practices and its ability to manage ESG risks and opportunities across its business operation. The main objective of this ESG Impact Assessment is to evaluate how sustainability and responsible practices are integrated into the business operations of the Company, including overall supply chain. This Report exhibits Fund’s values and commitment towards ESG aspects through its Portfolios. The E&S Initiatives and Performances of Krsnaa have been aligned and linked with United Nations' Sustainable Development Goals (SDGs) and other global standards, wherever applicable.

ABOUT KRSNAA DIAGNOSTICS

Krsnaa is a Public-Private Partnership (PPP) Player in diagnostics healthcare based in Pune, in the State of Maharashtra, and has operations across the country. Krsnaa provides patient care & technology excellence with an accuracy of test results to ensure precise patient diagnosis. The Company is recognized by the National Accreditation Board for Hospitals & Healthcare Providers (NABH) and National Accreditation Board for Testing and Calibration Laboratories (NABL). It has teleradiology reporting hubs that process large volumes (estimated 8 to 9 million images per annum) of X-rays, CT scans, and MRI scans 365 days a year (round the clock) and serves patients in remote locations with limited diagnostic facilities.



Geographical Presence

The company was started in the year 2011 with a modest foundation of just two (2) radiology centers. Krsnaa has grown into a powerhouse of medical diagnostics, becoming India's NABH accredited Tele-radiology hub.



Served over 40 million+ patients in last 3 years



18
States & Union Territories



26
NABH Accredited Centres



49
NABL Accredited Centres



178
CT/MRI Centres



1,434
Tele-Reporting Centres



121
Processing Labs



3,423
Collection Centres

Services Provided

			
CT & X-Ray	Pathology	Tele-Radiology	Tele-Pathology
			
MRI	Ultrasound Sonography	PET & LINAC	Other Diagnostic Services

Channels/Platforms where information on products and services can be accessed

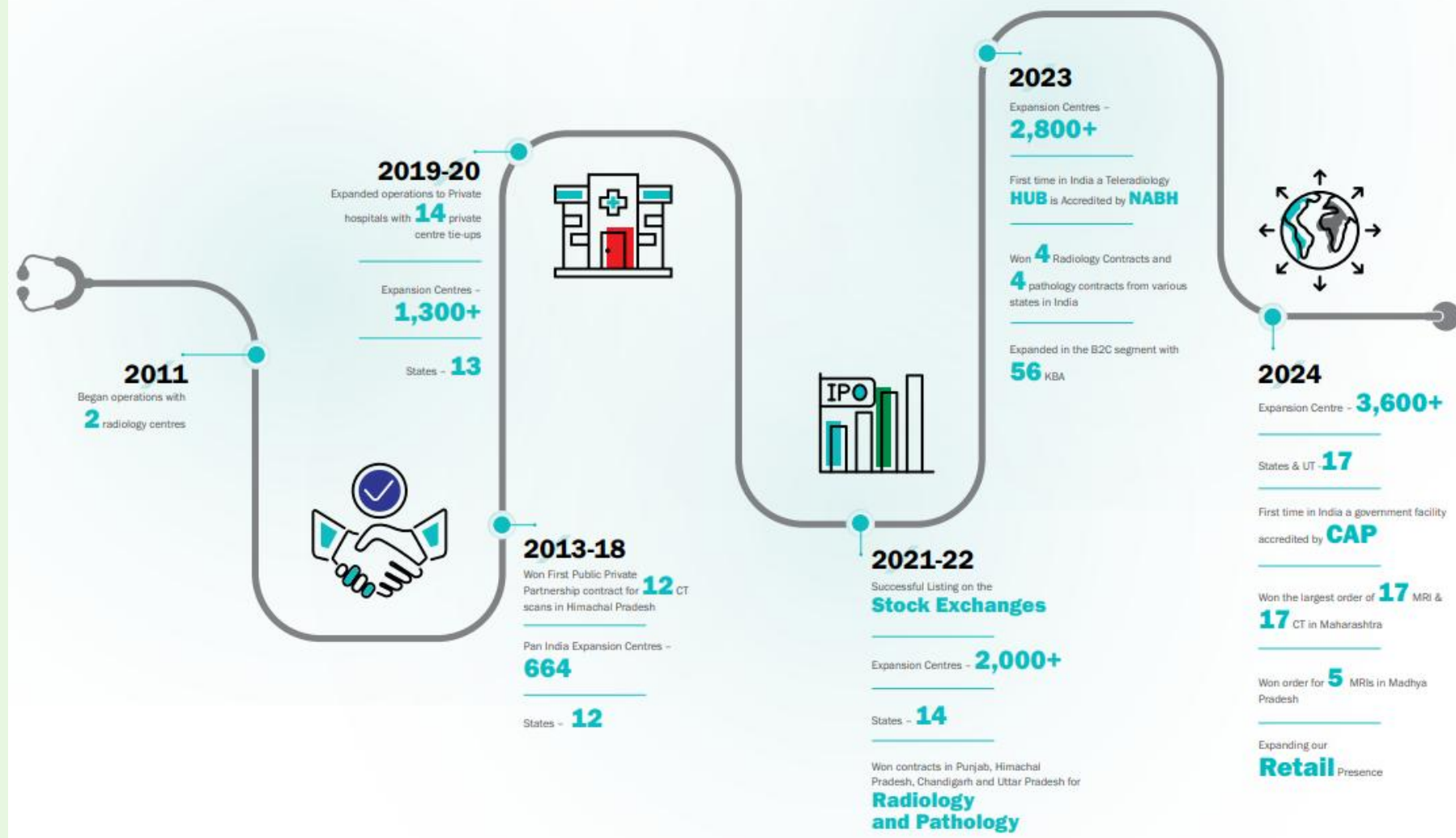
Information about the products and services offered by the Company can be conveniently accessed through various platforms, including the official website (www.krsnaadiagnostics.com), the dedicated mobile application, the customer service hotline, and physical visits to local centers. All of the Company's centers display banners promoting the prudent and safe use of its services. Additionally, for the benefit of consumers, the Company regularly posts videos on sample collection procedures, relevant information, and the importance of various diagnostic tests for all age groups on its YouTube channel. The Company conducts Net Promoter Score (NPS) surveys after each customer transaction to analyze results and enhance performance.

Krsnaa's Journey

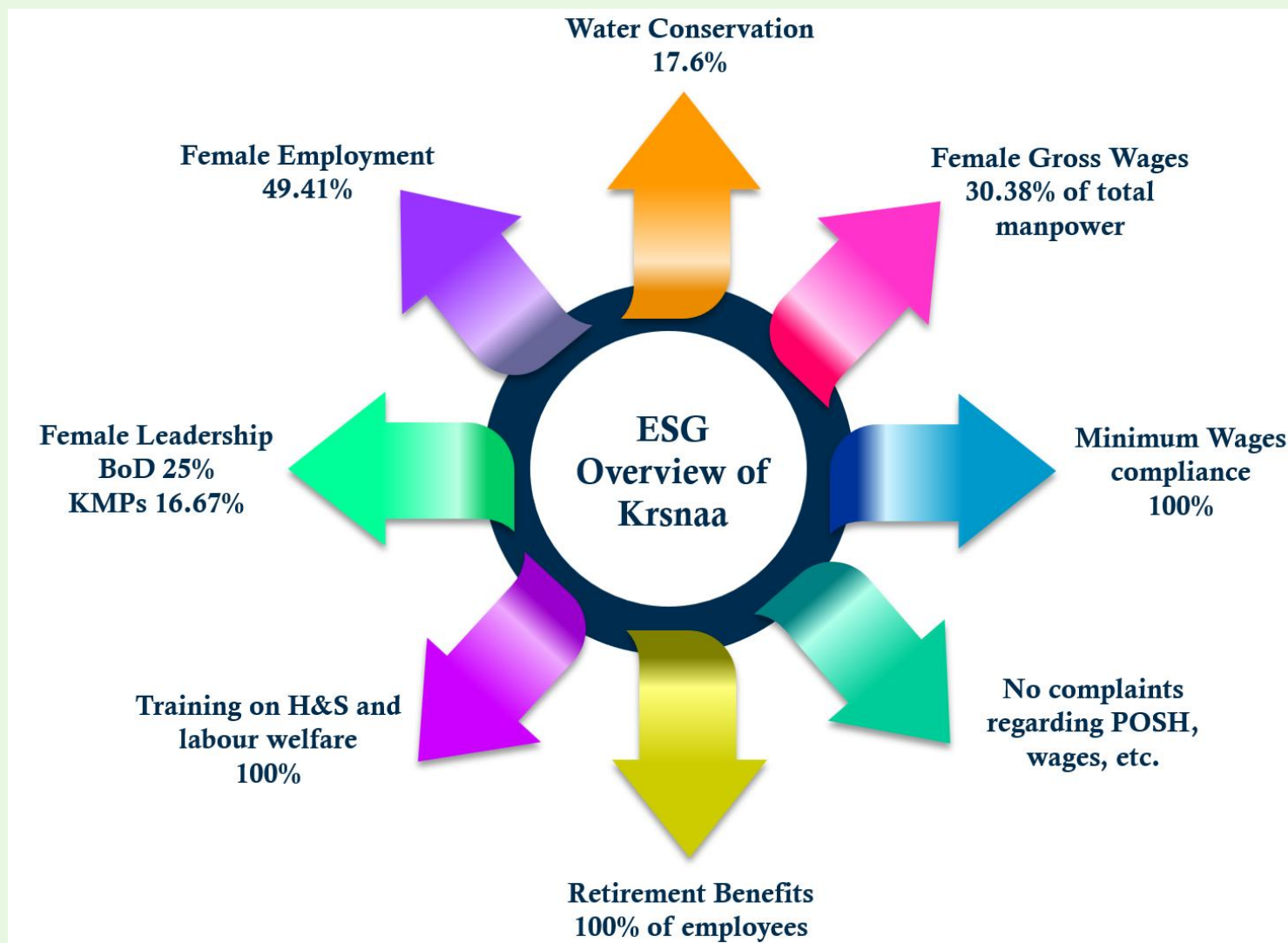
Today, the Company boasts over 178 CT/MRI Centers, 300+ pathology labs, a network of 3423 collection centers, and a whopping 1,434 Teleradiology Centers. This impressive growth is a testament to the company's commitment to providing high-quality diagnostic services.

Krsnaa has been badged as:

- 🏆 NABH Tele-radiology hub
- 🏆 NABH & NABL Accredited Network
- 🏆 CAP accredited Pathology Lab



ESG OVERVIEW OF KRSNAA



ENVIRONMENTAL ASPECTS

1. Energy Consumption and GHG Emissions

The Company's energy usage reflects its efforts toward operational efficiency. While renewable energy sources are utilized to a limited extent, Krsnaa predominantly relies on non-renewable energy to power its operations.

PARAMETER	FY 2023	FY 2024
Energy consumed from Renewable sources (GJ)	101	251
Energy consumed from Non-renewable sources (GJ)	25,795	35,528
Total Energy Consumed (GJ)	25,896	35,779
Energy Intensity per rupee of Turnover	0.0000056	0.0000061

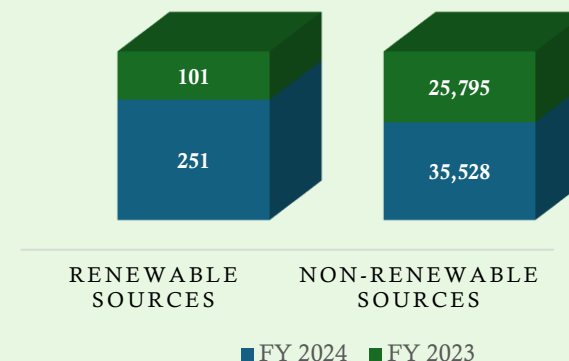
The company has initiated Energy Conservation measures in the workplace by educating and training the employees at the central level.

Greenhouse Gas emissions from Scope 1 and Scope 2 increased by 56.2% in FY 2024 due to higher energy consumption. Despite this, the Company continues to explore energy-efficient technologies to reduce its emissions intensity.

PARAMETER	FY 2023	FY 2024
Total Scope 1 emissions (tCO ₂ e)	27.79	56.2
Total Scope 2 emissions (tCO ₂ e)	89.38	150.38
Total Scope 1 and 2 emission intensity per rupee of turnover	0.000000025	0.000000035

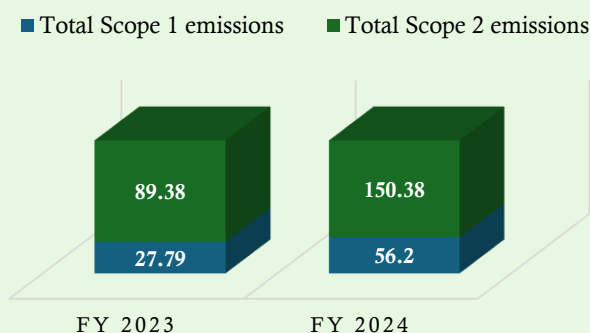
Note: Krsnaa has expanded its operations and increased its centres count, therefore, the energy consumption and GHG Emissions have increased in comparison to FY 2023.

ENERGY CONSUMPTION



The total energy consumption **increased by 38.1%** in FY 2024 compared to FY 2023.

GREENHOUSE GAS EMISSIONS

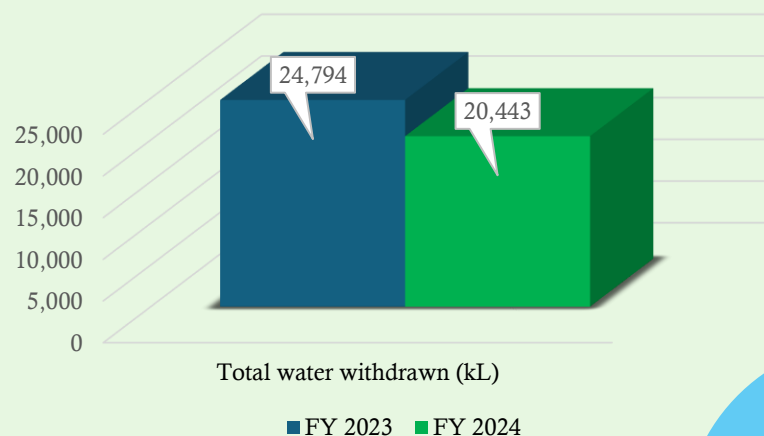


2. Water Consumption

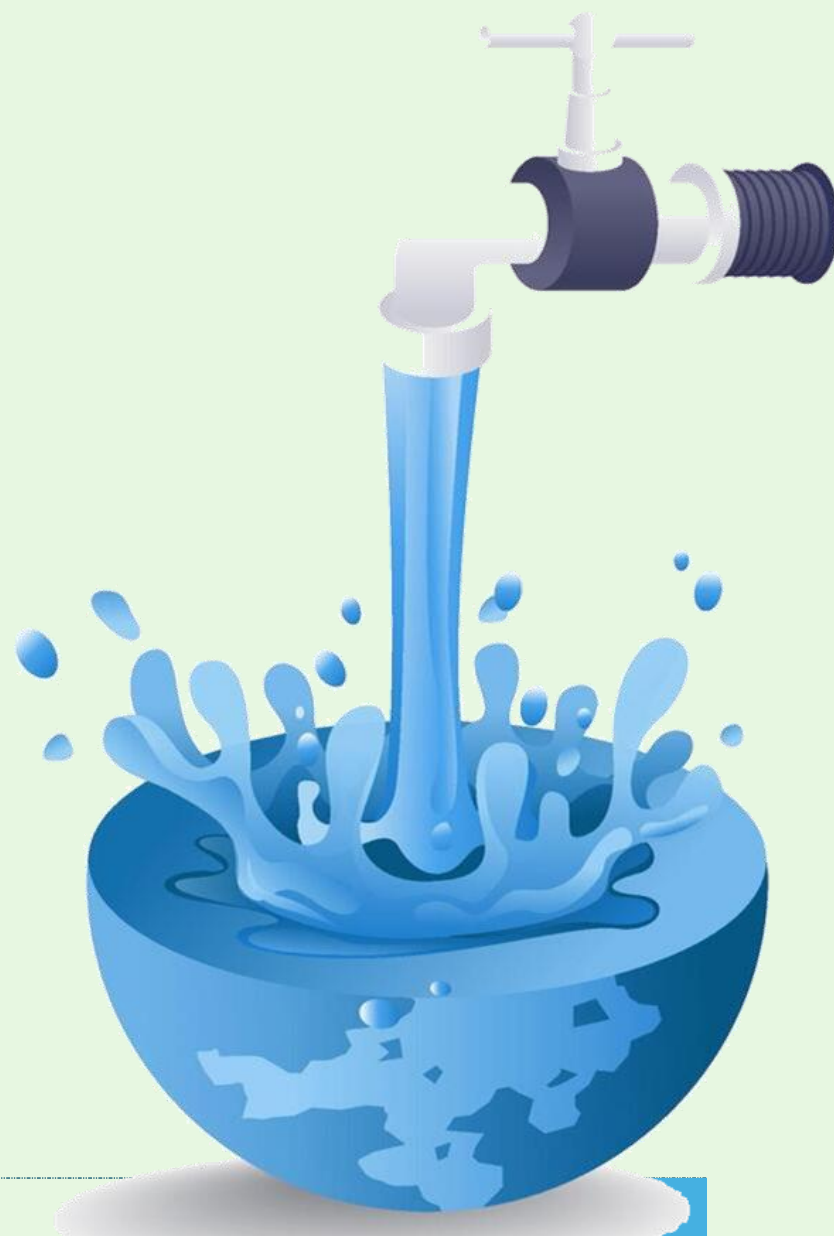
Water is critical to Krsnaa's operations, and the Company ensures responsible sourcing and usage through third-party suppliers.

PARAMETER	FY 2023	FY 2024
<i>Total Water Withdrawn (kL)</i>	24,794	20,443
<i>Water Intensity per rupee of Turnover</i>	0.000005	0.000003
<i>Water Intensity per rupee of turnover adjusted for Purchasing Power Parity</i>	0.00015	0.000069

WATER CONSERVATION



Water consumption
reduced by 17.6% in
FY 2024.

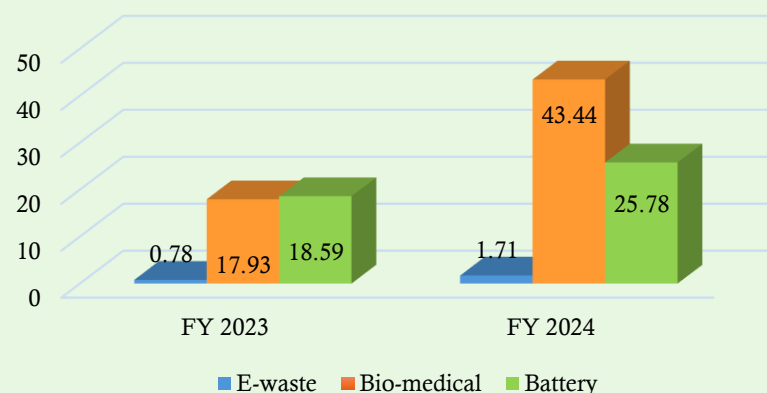


3. Waste Management

The Company has implemented a comprehensive biomedical waste management system, strictly adhering to the *Bio-Medical Waste Management Rules 2016*. This process involves meticulous segregation of waste, ensuring effective management.

PARAMETER	FY 2023	FY 2024
E-waste generated (MT)(A)	0.78	1.71
Bio-medical waste generated (MT)(B)	17.93	43.44
Battery waste generated (MT)(C)	18.59	25.78
Total waste generated (A+B+C)	37.30	70.93
Waste Intensity per rupee of turnover	0.0000000080	0.000000012

WASTE GENERATION (in MT)



The total waste generated **increased by 90.2%** in FY 2024 due to the expansion of operations.

Categorized waste is disposed off through authorized state pollution control vendors for secure and environmentally responsible disposal. The Company believes that proper waste management and reducing dependency on harmful substances are essential for eco-friendly business practices. Considering the operations of Krsnaa the use of chemicals is unavoidable, therefore, the Company upholds best practices in waste management, including thorough treatment of waste to mitigate harm and strict compliance with local and international regulations. Recognizing hazardous waste control as both a legal requirement and social responsibility, the Company continuously strives to manage harmful by-products appropriately. *Major quantity of waste is disposed of through incineration method.*

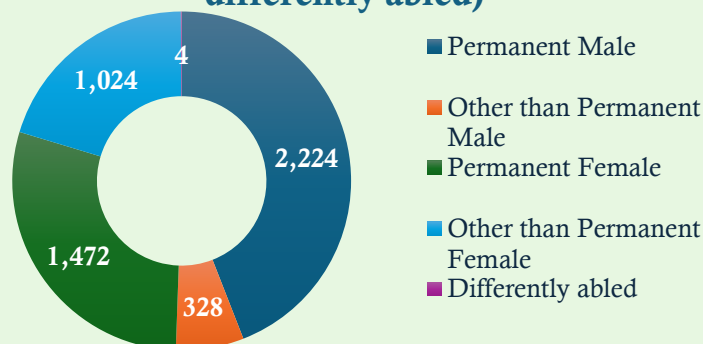
Note: Krsnaa has expanded its operations and increased its centres count, therefore, the waste generation has increased in comparison to FY 2023.

SOCIAL ASPECTS

1. Employees and Workforce

Krsnaa believes in promoting a safe workplace for employees that can make the Company more attractive and exciting organization to work for.

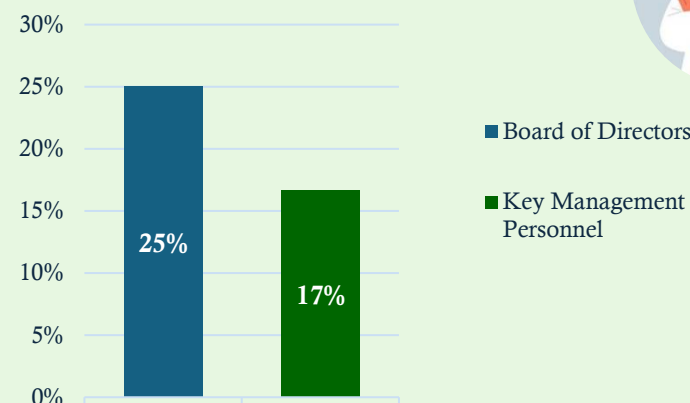
Employees and workers (including differently abled)



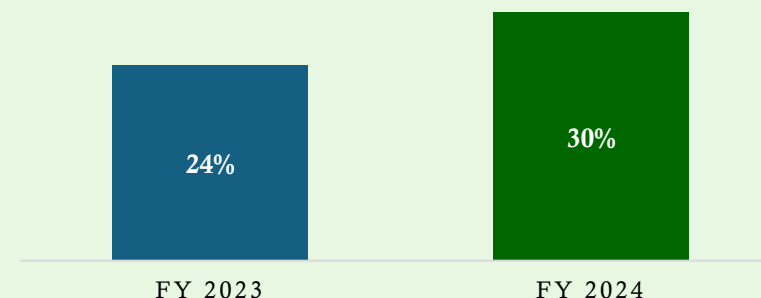
All the offices within the Company are fitted with ramps to facilitate accessibility for employees and workers with disabilities. Additionally, wheelchairs are provided to further improve convenience. The Company is dedicated to progressively ensuring that all premises and offices are accessible to individuals with disabilities.

As part of its dedication to equality and diversity, the Company has integrated a robust **Equal Opportunity Policy** into its HR Manual, which is readily available on the intranet. This policy emphasizes creating a fair and inclusive workplace by addressing discrimination and harassment while offering support and redress mechanisms for those whose rights have been impacted. Through these initiatives, the Company reaffirms its commitment to fostering an environment that values diversity and promotes equal opportunities for all.

Participation/Inclusion/Representation of Women



Gross Wages paid to Females as % of total wages



2. Skill Enhancement and Safety Training

The Company prioritizes the continuous development and safety of its employees through comprehensive training programs and structured orientation initiatives. These efforts are designed to enhance both technical capabilities and workplace preparedness, ensuring practical application in daily roles.

Health and Safety Management System

Krsnaa has developed a safety manual that is applicable to all units and centers within the organization and provides comprehensive guidelines. Furthermore, Krsnaa has implemented a safety manual to ensure the well-being and safety of its employees in the workplace. Krsnaa carries out routine assessments of potential workplace hazards and has set up protocols to manage these risks. This continuous process is supervised by center managers who are responsible for the daily execution of these procedures.

Measures taken to ensure a safe and healthy workplace

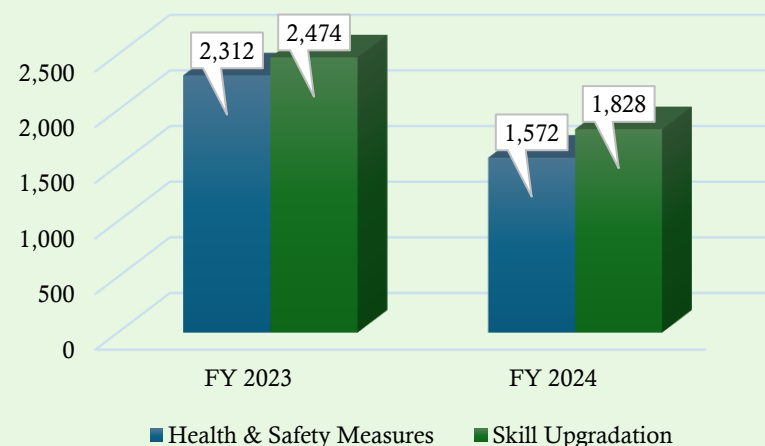
- ❶ Krsnaa has instituted and enforced stringent safety protocols across all its centers, underscoring its commitment to providing a safe and healthy work environment for its employees. All the Plants and Offices have been assessed for health and safety practices and labour working conditions.
- ❷ Each center has a manager tasked with ensuring strict compliance with the safety protocols, including the secure management and processing of samples by staff.
- ❸ Additionally, the Company is proactive in the ongoing professional growth of its workforce through regular safety and health training programs. This sustained effort is aimed at promoting a comprehensive understanding and application of workplace safety measures among employees.
- ❹ Hence, **no complaints related to health and safety issues** (Lost Time Injury Frequency Rate, work-related injuries, fatalities, high consequence work-related injury) were reported to be filed in the year 2023 or 2024.

3. Compensation and Benefits

Krsnaa recognizes that employee health is fundamental for building sustainable organizations, driving business performance and demonstrating

shareholder value. The Company is committed to treating its employees with mutual trust and fairness. It ensures that its employees are rewarded

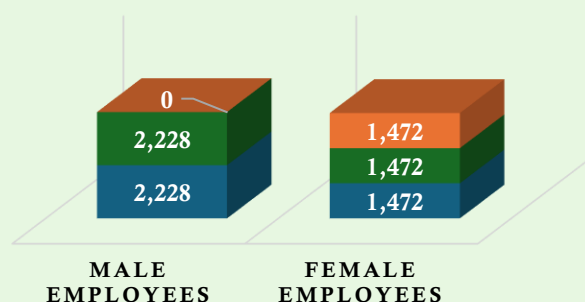
Training provided to employees



and recognized for their contributions with competitive pay and benefits. The Company carries out regular audits to confirm the prompt payment of all statutory dues. Furthermore, it contractually obligates third parties to ensure the timely settlement of these dues.

Benefits For Employees

■ Health Insurance ■ Accident Insurance ■ Maternity Benefits



Krsnaa demonstrates a strong commitment to employee well-being by providing **Employees' State Insurance (ESI) or Group Mediclaim** to all its employees and ensures access to medical care and financial assistance during times of illness or injury. All employees and workers at the Company have access to non-occupational medical and healthcare services.

Moreover, all employees are eligible for discounted diagnostic investigations. It also contributes to the **Employees' Provident Fund** which is a long-term savings scheme designed to secure all its employees' financial future, under which 100% of employees are covered. Furthermore, the Company also offers **gratuity benefits**, recognizing and rewarding its employees for their dedicated service to the same. These benefits reflect the Company's dedication to creating a supportive and secure work environment for all of its employees. The Company also allows its employees or workers to form associations or become part of any Union of workers.

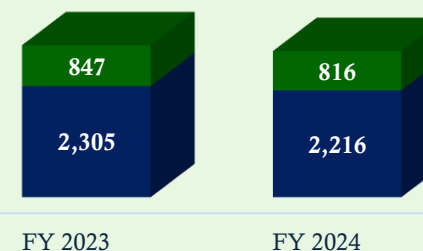
4. Promotion of Human Rights

People and respect for human rights are at the core of Krsnaa's culture and values. Providing fair and resilient livelihoods with safe and dignified work, while reducing inequalities, can advance and promote human rights across its operations and within its supply chains. In terms of payment, the Company is paying over and above the minimum wages to all its employees.

The Company has established a formal mechanism to address complaints related to human rights issues, which have been explained in the Grievance Redressal section. **No complaints related to sexual harassment, discrimination at the workplace, child labour, forced/involuntary labour, wages, etc. were reported in FY 2024.**

Employees and workers trained on human rights issues

■ Permanent ■ Other than Permanent



5. Data and Information Security

Krsnaa has established a Data Privacy Policy which reflects the commitment to protecting the personal data and privacy of the client. The Company is transparent about how it processes people's data and provides meaningful control over how personal data is collected and used. The Company communicates any discontinuation or disruption to its customers by posting notifications on its website for public awareness. Additionally, The Company adheres to *SEBI (Listing Obligations and Disclosure Requirements) Regulations*, promptly informing stock exchanges about material events that may impact its operations.

Data complaints

The Company **has not faced any consumer complaints related to data privacy**, advertising, cyber-security, delivery of essential services, restrictive trade practices, or unfair trade practices. The Company communicates any discontinuation or disruption to its customers by posting notifications on its website for public awareness. As a provider of diagnostic services, the Company does not display product information.

Data Breaches

The Company **has not faced any instances of data breach**. Also, no voluntary or forced recalls of the products have been reported till now.

6. Corporate Social Responsibility (CSR) Initiatives

Community Development:

- 🌱 CSR initiatives target marginalized, underprivileged, and at-risk communities, aiming to raise living standards through healthcare and education.
- 🌱 Provided **zero-cost services** to individuals certified as **Below Poverty Line (BPL)**, ensuring that financially disadvantaged groups receive essential healthcare.
- 🌱 Key CSR projects include:
 - a) **Nutritional Food Kits**: Distributed to **1,007 TB patients** under the Nikshay Mitra Programme.
 - b) **Educational Support**: Financial assistance provided to **55 deserving students**. Additionally, construction of classrooms and compound walls benefited **155 students**.
 - c) **Healthcare Infrastructure**: Donation of CT-scan machines to a charitable trust hospital, aiding **20 individuals**.

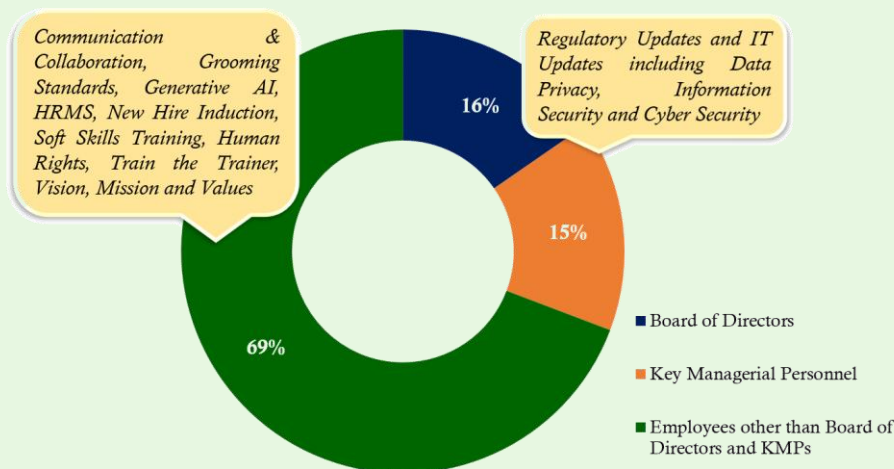
The Company leverages HRMS software as a platform for employees to raise their grievances. These concerns are promptly addressed and resolved by the respective department heads in alignment with the Company's HR policy.

GOVERNANCE ASPECTS

1. Management and Process Disclosures

Krsnaa is committed to adhering to the nine (9) principles outlined in the National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business¹, as issued by the Ministry of Corporate Affairs. The Company diligently monitors its compliance with the specified principles and takes necessary actions when required. All the policies conform to the applicable laws of the country, *SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015*, and *National Guidance on Responsible Business Conduct*.

Total number of trainings held during the year



Anti-Corruption or Anti-Bribery Practices

The Company has established a Code of Conduct for its Board Members, Senior Management and Employees. This Code strictly prohibits unethical behaviours including the acceptance of inappropriate gifts, illegal payments, or benefits. This Code provides clear guidelines to identify, avoid, and disclose any potential or actual conflicts of interest. The Company ensures compliance with all relevant laws, obtaining necessary approvals before transacting with related entities. To maintain transparency, it collects annual declarations from Directors, Key Managerial Personnel, and Senior Management about their interests in other entities that could lead to conflicts of interest.

The Company reported:

- 📍 No complaints with regard to conflict of interest of the Directors or Key Management Personnel (KMPs);
- 📍 No cases related to fines or penalties taken by any regulatory agencies on cases of bribery/corruption, settlement, or compounding fees against any of the Directors, KMPs, employees or workers;
- 📍 No imprisonment or punishment incidents.

The Company consistently emphasizes the importance of ongoing and proactive engagement with key stakeholders, allowing effective communication of strategies and performance.

¹ The guidelines, issued in the year 2018, are designed to assist businesses in performing above and beyond the requirements of regulatory compliance.

2. Governance Policies

Code of Conduct Policy

Sets out principles and values for governing behaviour of employees, directors and stakeholders.

Prevention of Sexual Harassment at Workplace Policy

Ensures a safe and respectful work environment, free from any form of sexual harassment.

Nomination, Remuneration and Board Diversity Policy

Focuses on transparent board nominations and remuneration and the promotion of diversity within the leadership team.

Corporate Social Responsibility Policy

Guides the organization's contributions to society through various Corporate Social Responsibility initiatives

Whistleblower Policy

Provides a confidential platform for reporting unethical practices and ensures protection against retaliation.

Directors' and Officers' Insurance Policy

Ensures the future with an insurance policy for its Directors & Officers with a quantum and coverage as approved by the Board

Risk Management Policy

Identifies, assesses and mitigates risks that may impact the Company's operations.

3. Stakeholder Engagement

Krsnaa's commitment to responsible and sustainable business practices involves continuous engagement with both internal and external stakeholders. This interaction is crucial for assessing performance, evaluating value delivered, and prioritizing sustainability issues. Stakeholder identification is guided by alignment with the Company's Mission and Vision, ensuring critical stakeholders receive necessary attention. The Company currently does not engage with any vulnerable and marginalized stakeholder groups.

Committees

The Board has set up committees to fulfil statutory obligations mandated by applicable laws. Through thorough assessments of policy implementation, these committees oversee crucial business operations. Their strategic guidance supports the Board's decision-making process.



Audit Committee



Risk Management Committee



Operations Committee



Nomination & Remuneration Committee



Corporate Social Responsibility Committee



Stakeholder Relationship Committee

S. No.	Stakeholder Group	Channels of Communication	Purpose and Scope of Engagement
1.	Employee	Email, SMS, Town Hall Meetings, all Hand Meetings/In-person Meetings, Offsite Meetings	Regular Company Updates/ Training Needs
2.	Customers (Individual patients, government clients, hospitals, clinics, etc.)	Email, SMS, Newspaper, Website	Promotion Schemes/ New Tests, etc.
3.	Investors and Shareholders	Website, Annual Meeting, Newspaper	Financial Results/ Other Corporate Announcements
4.	Government and Regulatory Authorities	E-mail, telephonic communication, online websites, office meetings	Representations/ Perspective on Change in Regulations/ Upcoming Laws
5.	Communities	Activities under Corporate Social Responsibility (CSR) Initiatives	As part of its CSR commitment, the Company addresses developmental and educational requirements.
6.	Vendors	Emails, In-person Meetings, Letters, Digital Meetings	Regular business updates, performance feedback, and any updates related to regulatory changes regarding supplies or services
7.	Franchised Lab Partners	Emails, Surveys, In-person Meeting	Promotional Schemes

4. Grievance Redressal

Employees and Workers Grievances: The Company has an internal grievance redressal policy. The transparent grievance redressal process is clearly communicated, to all employees with regular monitoring and reporting to maintain accountability. Grievances can be submitted to the Human Resource (HR) Department via a dedicated email. Upon receipt, the HR team validates the authenticity of the issue and forwards it to a committee specifically tasked with handling and resolving the matters. The Company utilizes HRMS software, providing a platform for employees to voice their grievances. These grievances, once raised, are addressed and resolved by the relevant department heads in accordance with the Company's HR policy. **No complaints were reported to be filed by any employee or worker during FY 2024.**

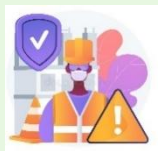
External Grievances: The Company has implemented a comprehensive approach for community engagement and grievance redressal, utilizing feedback channels such as *Weblink, dedicated email addresses, helplines, and regular community meetings.*

- **Community:** A dedicated **Grievance Officer** and team ensure timely acknowledgment and resolution of community concerns. **Further, no complaints/grievances were received from any specified community.**
- **Investors, Shareholders and Value Chain Partners:** No complaints were filed during FY 2024 by the investors and Value Chain partners. However, around five (5) complaints were reported by the Shareholders which were noted to be resolved by the end of FY 2024.
- **Customers:** Around 120 complaints were filed in FY 2024 which were all resolved by the end of the year.

Consumer Complaints and Feedback: The Company has implemented an efficient system for complaint and feedback reception and resolution. Once a complaint is lodged, it is promptly assigned to the relevant department for necessary measures towards resolution. The complaint management process prioritizes customer satisfaction and aims to swiftly address issues.

MATERIALITY ASSESSMENT

The following Table explains the various material issues identified along with the mitigating measures and financial implications. Six (6) out of 17 SDGs are aligned based on the company's efforts and performances.

S. No.	Material Issue identified	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of risk or opportunity	Relevant SDG
1.	Health risks associated with the workplace affecting employees 	- Workplace health risks can lead to increased employee absenteeism, reduced productivity, and lower morale. - By gathering samples from patients with infectious diseases shows significant risks related to health. - Failure to address these risks adequately may lead to regulatory non-compliance, resulting in fines and penalties. - The cumulative effect of these factors can significantly impact the Company's bottom line and long-term sustainability.	- The Company has implemented measures to safeguard the well-being of its staff. - Regular vaccinations are administered in line with guidelines. - Medical insurance is provided to reduce health and financial risks for employees. - Financial assistance is offered to the families of staff members who have lost their lives while treating patients. - The Company also rotates staff involved in sample collection.	- These issues can result in higher operational costs, decreased output, and potential loss of skilled workers, which could lower the quality of patient care and raise hiring costs. - Additionally, health-related incidents may lead to legal liabilities, compensation claims, and damage to the company's reputation, potentially affecting its ability to attract and retain talent.	 SDG 3: Good Health & Well-being Target 3.4 – Promote mental health and well-being
2.	Workplace Protection 	- Poorly implemented safety measures can lead to workplace accidents, resulting in negative effects like higher absenteeism and an increased Lost Time Rate (LTR). - Effective workplace protection measures can lead to improved employee safety, health, and well-being. This can result in increased	- The Company has put in place a comprehensive safety manual that provides guidelines for all labs within the company. - Regular health check-ups are carried out, especially for employees in technical to monitor their well-being proactively. - Staff are provided with necessary safety equipment, including eye wash	- Lost Time due to workplace accidents or injuries can create additional challenges for centers, such as the necessity to pay overtime to complete work. - The Company can enhance employee	 SDG 8: Decent Work and Economic Growth Target 8.8 – Protect labour rights and

S. No.	Material Issue identified	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of risk or opportunity	Relevant SDG
		productivity, higher job satisfaction, and lower turnover rates.	stations, gloves, lab coats, goggles, fire sprinklers, TLD badges, and fire extinguishers. - Periodic fire drills are conducted to ensure employees are familiar with evacuation procedures and understand their roles during emergencies. - The organization follows the Biomedical Waste Management (BMW) rules established by the Central Pollution Control Board (CPCB) guidelines. - Strict disinfection protocols are implemented in the centers to maintain a clean and hygienic working environment.	safety and well-being, improve morale, and a stronger corporate reputation. This can result in a competitive advantage in attracting and retaining talent, as well as potential cost savings through reduced incidents and improved operational efficiency.	<i>promote a safe working environment</i>
3.	Risk Management 	- Poor risk management can leave the company vulnerable to various threats, potentially leading to significant financial losses, operational disruptions, and damage to reputation. - It may result in missed opportunities due to an overly cautious approach or unexpected crises due to overlooked risks. - Inadequate risk management can also lead to non-compliance with regulations, resulting in fines and legal issues.	- The company collaborates with key stakeholders in the risk management process to ensure that all relevant parties are informed about potential risks and committed to creating strategies to address them. - By involving stakeholders in this process, the Company promotes a culture of risk awareness and accountability, resulting in more successful outcomes in risk management.	- The main risk lies in inadequate or ineffective risk management practices, which can leave the organization vulnerable to various threats and potential losses. - By proactively aligning important issues with risk mitigation strategies, the Company can develop	17 PARTNERSHIPS FOR THE GOALS  Target 17.7: <i>Promote the development, transfer, dissemination and diffusion of environmentally sound technologies</i>

S. No.	Material Issue identified	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of risk or opportunity	Relevant SDG
		- Effective risk management can lead to better decision-making, improved operational efficiency, and enhanced ability to capitalize on opportunities. - It can help the company anticipate and mitigate potential threats, reducing the likelihood and impact of adverse events.		a more resilient and sustainable growth approach.	Target 17.14: Enhance policy coherence for sustainable development
4.	Waste Management 	Ineffective waste management can lead to environmental pollution, potentially resulting in regulatory fines, legal liabilities, and reputational damage for example production of biomedical waste as a result of business activities.	- Disposal is carried out by a government-authorized partner, with waste sorted into different color-coded bags that have barcodes. - The waste is weighed before being transferred to an authorized vendor. All safety regulations are adhered to from the point of generation until it is handed over to the authority.	- Improper disposal could result in the spread of diseases and negatively impact the company's social license to operate. - If not disposed off properly, it could lead to the spread of diseases and affect the social license to operate. - It may also lead to inefficient use of resources, increasing operational costs and reducing profitability.	 SDG 12: Responsible Consumption and Production Target 12.2 – Achieve sustainable management and efficient use of natural resources Target 12.5 – Reduce waste generation through prevention, reduction, recycling, and reuse
5.	Water Usage and Conservation	- Excessive use can lead to water scarcity and depletion - Ecosystem damage - Water insecurity	The Company has taken various Water conservation measures which results in conservation of ~17% of Water.	- Increased Water bills - Sewerage charges - Purified water systems and system maintenance	

S. No.	Material Issue identified	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial Implications of risk or opportunity	Relevant SDG
		- Lack of access to clean water and sanitation can lead to increased incidences of waterborne diseases such as cholera, and diarrhoea - Conflicts over water resources - Industrial disruptions - Impact on energy production		Waste disposal	SDG 6: Clean Water and Sanitation Target 6.1 – <i>Safe and Affordable Drinking Water</i> Target 6.4 – <i>Increase water-use efficiency and ensure freshwater supplies</i>
6.	Energy Access and Management, Renewable Energy	- Inadequate lighting increases the risks of accidents and crime - Lack of affordable energy hinders economic development	The Company has initiated Energy Conservation measures in the workplace by educating and training the employees at the central level.	- Significant utility bills - Impact on profitability - Equipment maintenance and repair	 SDG 7: Affordable and Clean Energy Target 7.2 – <i>Increase global percentage of renewable energy</i> Target 7.3 – <i>Double the Improvement in Energy Efficiency</i>

ESG PROGRESS OF KRSNAA

A comparative analysis is presented in the following Table, based on FY 2023 and the status of FY 2024. Various parameters like energy and GHG emission have shown increased levels due to expansion in business operations of the Company. The Company is taking initiatives to mitigate the same.

S. No.	Parameters	Baseline (2023)	Status as of April 2025
1.	Energy Consumption	25,896 GJ	35,779 GJ (increased by 38.1%)
2.	Water Conservation	24,794 kL	20,443 kL (increased by 17.6%)
3.	Waste generated	37.30 MT	70.93 MT (increased by 90.2%)
4.	Greenhouse Gas Emissions	-	Increased by 56.2%
5.	Female Employment	-	Achieved 49.41%
6.	Female Leadership	-	Board of Directors comprises 25% females and Key Management Personnel comprises 16.67%.
7.	Female gross wages	23.94%	30.38%
8.	Compensation and Benefits such as Provident Fund, ESI and Gratuity	-	100% of employees of Krsnaa are being provided with various compensation and benefits.

CONCLUSION

Krsnaa Diagnostics has taken various CSR initiatives and conducted community-focused programs. The Company is committed to ESG principles, integrating sustainability into the core of its operations. Prioritizing human development, social capital enhancement, and responsible resource management.

Key initiatives include effective biomedical waste management, transitioning to biodegradable bags, implementing water conservation measures, adopting e-billing, etc. With a focus on transparent governance and ethical conduct, the Company continually enhances its practices to create positive outcomes for society and stakeholders. As a leader in branded diagnostics, the Company remains dedicated to delivering affordable and accessible healthcare services while aligning its ESG performance with global standards and fostering long-term sustainability. The Company's ESG strategy is aligned with the UN Sustainable Development Goals (SDGs), which aim for decent work and economic growth, reduced inequality, and responsible consumption. It was observed that **six (6) out of 17 SDGs** are aligned based on the company's efforts and performances.