

# REVISED INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Metropolis Healthcare Limited**

## REPORT ON THE AUDIT OF THE REVISED STANDALONE FINANCIAL STATEMENTS

This Report supersedes our Report dated 24 May 2022.

### Opinion

We have audited the revised standalone financial statements of Metropolis Healthcare Limited (the "Company"), which comprise the revised standalone balance sheet as at 31 March 2022, and the revised standalone statement of profit and loss (including other comprehensive income), revised standalone statement of changes in equity and revised standalone statement of cash flows for the year then ended, and notes to the revised standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid revised standalone 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 2022, and its profit and other comprehensive income, 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 revised Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the revised standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the revised standalone financial statements.

## IMPAIRMENT ASSESSMENT OF LONG-TERM INVESTMENTS IN SUBSIDIARIES

See note 5 to the revised standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has long-term investments in subsidiaries (collectively "the investments") aggregating ₹ 63,497.35 lakhs as at 31 March 2022. The Company records the investments at cost less any provision for impairment loss.	Our audit procedures included: <ul style="list-style-type: none"> <li>Understanding the process followed by the Company in respect of the annual impairment analysis for long-term investments in subsidiaries.</li> </ul>

### Emphasis of Matter

We draw attention to note 2 and 46 of the revised standalone financial statements which describes the basis of preparation and scheme of merger respectively. As explained in detail therein, these revised standalone financial statements for the year ended 31 March 2022 have been prepared pursuant to the Composite Scheme of Arrangement ('the Scheme') for merger of its eight wholly owned subsidiaries ("the transferor companies"), with the Company, from the specified retrospective appointed date (1 April 2021), as approved by the National Company Law Tribunal (NCLT), Mumbai Bench, vide order dated 03 June 2022 ("Order"). As per the requirements of Appendix C to Ind AS 103 "Business Combination", the merger has been given effect to as if it has occurred from the beginning of the preceding period (i.e 1 April 2020) in the revised standalone financial statements.

We issued a separate auditor's report dated 24 May 2022 on these standalone financial statements to the members of the Company. The aforesaid petition having been approved subsequently, the Company has now prepared revised standalone financial statements incorporating the impact of the merger from 1 April 2020. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the Standalone Financial Statements, have been carried out solely on this matter and no additional procedures have been carried out for any other events occurring after 24 May 2022 (being the date of our earlier audit report on the earlier standalone financial statements). Our earlier audit report dated 24 May 2022 on the earlier standalone financial statements is superseded by this revised report on the revised standalone financial statements.

Our opinion is not modified in respect of above matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the revised standalone financial statements of the current period. These matters were addressed in the context of our audit of the revised standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

The key audit matter	How the matter was addressed in our audit
<p>Changes in business environment could have a significant impact on the valuation of these investments. As such, the investments are tested for any triggers for impairment. If triggers are identified, the recoverable amounts of the investments are determined and if the amount is lower than the carrying value of the investments, impairment loss is recognised in the statement of profit and loss.</p> <p>The recoverable amount which is based on the value in use model, has been derived from discounted cash flow model. We identified the assessment of impairment indicators and resultant provisions, if any, in respect of investment in subsidiaries as a key audit matter considering:</p> <ul style="list-style-type: none"> <li>● The significance of the value of these investments in the revised Standalone Balance Sheet.</li> <li>● Performance and net worth of these entities and</li> <li>● The degree of judgement involved in determining the recoverable amount of these investments including: <ul style="list-style-type: none"> <li>- Valuation assumptions such as discount rate and terminal growth rate.</li> <li>- Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from these investments.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the Company's process relating to review of the annual impairment analysis, including controls over determination of discount rate and terminal growth rate.</li> <li>● Challenging the reasonableness of the assumptions, particularly forecasted revenue growth rate and related costs based on our knowledge of the Company and market. Assessing historical accuracy by comparing past forecasts to actual results achieved.</li> <li>● Involving the valuation professionals with specialised skills and knowledge to assist in evaluating the impairment model used and assumptions (including discount rate and terminal growth rate applied by the Company by comparing it to a range of rates that were independently developed using publicly available market indices and market data for comparable entities). Applying additional sensitivities to assess the reasonableness of the above key assumptions.</li> <li>● Testing data used to develop the estimate for completeness and accuracy.</li> <li>● Performing a sensitivity analysis to evaluate the impact of change in key assumptions individually or collectively to the recoverable value.</li> <li>● Evaluating the adequacy of the Company's disclosures in the revised standalone financial statements in respect of its impairment testing.</li> </ul>

### OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the revised standalone financial statements and our revised auditor's report thereon.

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

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

### MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE REVISED STANDALONE 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 revised standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, 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

## REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the revised standalone 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.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE REVISED STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the revised standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an revised 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 revised standalone financial statements.

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

- Identify and assess the risks of material misstatement of the revised standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements

in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 revised standalone 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 revised auditor's report to the related disclosures in the revised standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our earlier 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 revised standalone financial statements, including the disclosures, and whether the revised standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the revised standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our revised auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

### 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 knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The revised standalone balance sheet, the revised standalone statement of profit and loss (including other comprehensive income), the revised standalone statement of changes in equity and the revised standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid revised standalone 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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act; and
  - f. 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 revised Report in "Annexure B".
- B. With respect to the other matters to be included in the Revised Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 2022 on its financial position in its revised standalone financial statements - Refer Note 42 to the revised standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - d.
    - (i) The Management represented that, to the best of it's knowledge and belief, as disclosed in Note 59 to the revised standalone 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 persons or entities, including foreign entities (intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediaries 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 represented, that, to the best of it's knowledge and belief, as disclosed in Note 59 to the revised standalone financial statements, no funds have been received by the Company from any persons or entities, 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 Party ("Ultimate Beneficiaries") or
      - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

## REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

- (iii) Based on such audit procedures as 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) contain any material mis-statement.
- 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.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. 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

Sd/-

**Tarun Kinger**

Partner

Mumbai  
18 July 2022

Membership No. 105003  
UDIN: 22105003ANDQMU7346

## ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT

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

This Report supersedes our Report dated 24 May 2022.

- (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.
- (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 once in three years. 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the revised standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

All amounts in ₹ lakhs

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
<b>Owned properties</b>					
Freehold land	1,035.40	Lister Metropolis Laboratory and Research Centre Private Limited	No	30 January 2009	Merger adjudication pending
Building	482.80	Lister Metropolis Laboratory and Research Centre Private Limited	No	30 January 2009	Merger adjudication pending
Building	609.94	Dr. Sushil Kanubhai Shah Dr. Duru Sushil Shah	Promoter/Director Relative of Director	16 August 2000	Title clearance report pending
Building	35.53	Dr. Golwilkar Laboratories Pvt. Ltd	No	30 September 2018	Merger adjudication pending
Building	1,266.01	Sanket Diagnostics Pvt. Ltd	No	16 March 2018	Merger adjudication pending
Building	189.87	Desai Metropolis Health Services Private Limited	NA	3 June 2022	Merger adjudication pending

- (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 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or

## ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of 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 provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties during the year.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not provided loans or advances in the nature of loans, or stood guarantee, or provided security to companies, firms, limited liability partnership or any other parties.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, limited liability partnership or any other parties.
- (c) 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 granted any loans or advances in the nature of loans to any party during the year.
- (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 granted any loans or advances in the nature of loans to any party 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 loans or advances in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- (iv) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (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 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 Goods and Service Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, considering the principles of materiality as outlined in the Standards on Auditing, we report that amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income-Tax, and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Provident fund and Employees' State Insurance. The Company did not have any dues in respect of Duty of Customs and Cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, Provident fund,

**ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)**

Employees' State Insurance, Income-Tax, and other statutory dues were in arrears as at 31 March 2022 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, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (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.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has raised loans during the year on the pledge of securities held in its subsidiary as per details below. The Company has not raised loans during the year on the pledge of securities held in joint venture (till 25 November 2021) (as defined under the Act). Further, the Company does not hold any investment in any associates (as defined under the Act) during the year ended 31 March 2022.
- (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, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the revised standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint venture (till 25 November 2021) as defined under the Act. The Company does not hold any investment in any associate (as defined under the Act) during the year.

<b>Nature of loan taken</b>	<b>Name of lender</b>	<b>Amount of loan</b>	<b>Name of the subsidiary</b>	<b>Relationship</b>	<b>Details of security pledged</b>	<b>Remarks</b>
Term loan	HDFC Bank	₹ 15,000 lakhs	Dr Ganesan Hitech Private Limited	Wholly owned subsidiaries	30% of Equity shares	None

Further the Company has not defaulted in repayment of such loans raised.

- (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 to the Company.
- (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 to the Company.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.



## ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

- (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 to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the revised standalone financial statements as required by the applicable accounting standards.
- (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.
- (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 to the Company.
- (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 to the Company.
- (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 to the Company.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended).
- 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.
- 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, other information accompanying the revised standalone financial statements, 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 revised audit report that 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 revised 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) (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of Section 135 of the said Act
- (b) 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 ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable

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

Chartered Accountants

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

Sd/-

**Tarun Kinger**

Partner

Mumbai

18 July 2022

Membership No. 105003

UDIN : 22105003ANDQMU7346

## ANNEXURE B TO THE REVISED INDEPENDENT AUDITOR'S REPORT

### **REVISED REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID REVISED STANDALONE FINANCIAL STATEMENTS UNDER SECTION 143(3)(I) OF THE COMPANIES ACT, 2013**

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

This Report supersedes our Report dated 24 May 2022.

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of Metropolis Healthcare Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the revised standalone 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 standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone 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").

#### **Emphasis of matter**

We draw attention to Note 2 and Note 46 of the revised standalone financial statements which describes the Basis of preparation and scheme of merger respectively. As explained in detail therein, these revised standalone financial statements for the year ended 31 March 2022 have been prepared pursuant to the Composite Scheme of Arrangement ('the Scheme') for merger of its eight wholly owned subsidiaries of the Company ("Transferor Companies") with the Company, from the specified retrospective appointed date (1 April 2021), as approved by the National Company Law Tribunal (NCLT), Mumbai Bench, vide order dated 03 June 2022 ("Order"). A certified copy of the Order sanctioning the Scheme has been filed by the Company with Registrar of the Companies, Maharashtra, on 11 July 2022.

As per the requirements of Appendix C to Ind AS 103 "Business Combination", the merger has been given effect to as if it has occurred from the beginning of the preceding period (i.e 1 April 2020) in the revised standalone financial statements.

We issued a separate auditor's report dated 24 May 2022 on these standalone financial statements to the members of the Company. The aforesaid petition having been approved subsequently, the Company has now prepared revised standalone financial statements incorporating the impact of the merger with effect from 1 April 2020. Consequently,

our revised audit report is with reference to the revised financial statements. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the Standalone Financial Statements, have been carried out solely on this matter and no additional procedures have been carried out for any other events occurring after 24 May 2022 (being the date of our earlier audit report on the earlier standalone financial statements). Our earlier audit report dated 24 May 2022 on the earlier standalone financial statements is superseded by this revised report on the revised standalone financial statements.

Our opinion is not modified in respect of this matter.

#### **MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY 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 standalone 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 Companies Act, 2013 (hereinafter referred to as "the Act").

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 standalone 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 standalone financial statements were established and maintained and whether 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 standalone financial statements and

## ANNEXURE B TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 revised standalone financial statements, whether due to fraud or error.

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

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the revised standalone financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO REVISED STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to revised standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to revised standalone 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

Sd/-

**Tarun Kinger**

Partner

Mumbai

18 July 2022

Membership No. 105003

UDIN : 22105003ANDQMU7346

# REVISED STANDALONE BALANCE SHEET

AS AT 31 MARCH 2022

(₹ in Lakhs)

Particulars	Notes	31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	11,825.72	10,732.65
Goodwill	4	6,293.85	6,293.85
Other intangible assets	4	3,115.83	3,484.74
Intangible assets under development	4	577.65	-
Right of use assets	38	10,171.00	10,197.73
Financial Assets			
i. Investments			
a) Investments in subsidiaries and joint venture	5	63,322.07	179.13
b) Other investments	5	175.28	175.28
ii. Loans	6	72.88	72.49
iii. Other financial assets	7	2,730.75	1,235.49
Non-current tax assets (Net)	8	2,200.95	1,950.89
Deferred tax assets (Net)	37 (iv)	-	933.34
Other non-current assets	9	15.21	66.72
<b>Total Non-current assets</b>		<b>1,00,501.19</b>	<b>35,322.31</b>
<b>Current assets</b>			
Inventories	10	4,497.17	3,812.00
Financial Assets			
i. Investments	11	1,375.41	833.09
ii. Trade receivables	12	13,607.86	13,050.00
iii. Cash and cash equivalents	13	2,418.43	34,768.18
iv. Bank balances other than cash and cash equivalents mentioned above	14	8,577.94	3,293.90
v. Loans	15	997.56	957.71
vi. Other financial assets	16	1,317.21	749.60
Other current assets	17	1,161.35	1,125.39
<b>Total Current assets</b>		<b>33,952.93</b>	<b>58,589.87</b>
<b>TOTAL ASSETS</b>		<b>1,34,454.12</b>	<b>93,912.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	1,023.43	1,022.33
Other equity	19	81,389.49	65,458.55
<b>Total Equity</b>		<b>82,412.93</b>	<b>66,480.88</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	20	15,867.72	-
ii. Lease Liabilities	40	7,813.79	7,821.68
iii. Other financial liabilities	21	89.43	122.08
Provisions	22A	908.01	800.37
Deferred tax liabilities (net)	37 (iv)	79.11	-
<b>Total non-current liabilities</b>		<b>24,758.06</b>	<b>8,744.13</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	23	9,986.81	-
ii. Lease Liabilities	38	3,452.95	3,278.92
iii. Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	24	130.32	245.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises	24	8,462.16	9,302.98
iv. Other current financial liabilities	25	1,954.25	2,445.66
Current tax liabilities (net)	26	342.48	1,207.86
Provisions	22B	826.53	763.24
Other current liabilities	27	2,127.63	1,442.57
<b>Total current liabilities</b>		<b>27,283.13</b>	<b>18,687.17</b>
<b>Total Liabilities</b>		<b>52,041.19</b>	<b>27,431.30</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,34,454.12</b>	<b>93,912.18</b>

Basis of preparation, measurement and significant accounting policies

2

**Note:** The accompanying notes 1 to 60 are an integral part of these revised standalone financial statements.

As per our revised report of even date attached

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

Chartered Accountants

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

**Tarun Kinger**

Partner

Membership No: 105003

Place: Mumbai

Date: 18 July 2022

For and on behalf of the Board of Directors

**Metropolis Healthcare Limited**

L73100MH2000PLC192798

**Dr. Sushil Shah**

Chairman &amp; Executive Director

DIN: 00179918

Place : Mumbai

**Rakesh Agarwal**

Chief Financial Officer

Place : Mumbai

**Ameera Shah**

Managing Director

DIN: 00208095

Place : Mumbai

**Simmi Bisht**

Company Secretary

Membership No: 23360

Place : Mumbai

**Vijender Singh**

Chief Executive Officer

Place: Mumbai

# REVISED STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

Particulars	Notes	31 March 2022	31 March 2021
<b>Income</b>			
Revenue from operations	28	1,11,713.06	96,138.61
Other income	29	1,600.18	1,230.83
<b>Total Income</b>		<b>1,13,313.24</b>	<b>97,369.44</b>
<b>Expenses</b>			
Cost of materials consumed	30	25,267.39	24,423.12
Laboratory testing charges	31	594.47	464.15
Employee benefits expense	32	21,012.38	18,824.21
Finance costs	33	1,932.51	767.26
Depreciation and amortisation expense	34	5,588.30	4,378.29
Other expenses	35	34,330.38	24,299.58
<b>Total Expenses</b>		<b>88,725.43</b>	<b>73,156.61</b>
<b>Profit before exceptional items</b>		<b>24,587.81</b>	<b>24,212.83</b>
<b>Exceptional items (Income)</b>	36	<b>(1,590.15)</b>	-
<b>Profit before tax</b>		<b>26,177.96</b>	<b>24,212.83</b>
<b>Income Tax expenses:</b>	37		
1. Current tax		6,040.90	6,079.30
2. Deferred tax expenses		1,039.94	5.97
3. Tax adjustments for earlier years		(127.02)	(137.72)
<b>Total Income Tax expenses</b>		<b>6,953.82</b>	<b>5,947.55</b>
<b>Profit for the year</b>		<b>19,224.14</b>	<b>18,265.28</b>
<b>Other Comprehensive Income (OCI)</b>			
(i) Items that will not be reclassified subsequently to profit and loss			
Remeasurements of the defined benefit plans	47 (a)	(108.97)	(331.33)
Income tax on above	37	27.47	83.36
		(81.50)	(247.97)
<b>Other comprehensive income for the year, net of tax</b>		<b>(81.50)</b>	<b>(247.97)</b>
<b>Total comprehensive income for the year</b>		<b>19,142.64</b>	<b>18,017.31</b>
<b>Earnings per equity share</b>			
<b>Equity shares of face value of ₹ 2 each</b>			
Basic earnings per share (₹)	39	37.58	35.88
Diluted earnings per share (₹)	39	37.39	35.70

**Note:** The accompanying notes 1 to 60 are an integral part of these revised standalone financial statements.

As per our revised report of even date attached

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

Chartered Accountants

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

**Tarun Kinger**

Partner

Membership No: 105003

Place: Mumbai

Date: 18 July 2022

For and on behalf of the Board of Directors

**Metropolis Healthcare Limited**

L73100MH2000PLC192798

**Dr. Sushil Shah**

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

**Rakesh Agarwal**

Chief Financial Officer

Place : Mumbai

**Ameera Shah**

Managing Director

DIN: 00208095

Place : Mumbai

**Simmi Bisht**

Company Secretary

Membership No: 23360

Place : Mumbai

**Vijender Singh**

Chief Executive Officer

Place: Mumbai

# REVISED STANDALONE STATEMENT OF CASH FLOW

FOR THE PERIOD ENDED 31 MARCH 2022

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	26,177.96	24,212.83
<b>Adjustments for :</b>		
Depreciation and amortisation expense	5,588.30	4,378.29
Loss on sale of property plant and equipments (net)	1.57	-
Sundry balances written back	(1.47)	(25.92)
(Reversal) / Provision for bad and doubtful debts (net)	(418.32)	2,115.20
Provision for bad and doubtful advances (net)	1.90	100.00
Gain on redemption of Mutual fund	-	(13.47)
Foreign exchange loss (net)	19.84	28.84
Share based payments expenses (Refer note 32)	685.72	778.73
Loss on derivative assets	-	27.77
Interest income	(1,226.15)	(979.44)
Interest income on income tax refund	(3.82)	(1.35)
Changes in fair value of current investments	(41.97)	(26.52)
Reversal of provision no longer required	(1,600.00)	-
Profit on Sales of Right of use assets	-	(3.42)
Write off of property plants and equipments	3.40	(12.96)
Interest expenses on borrowings	901.32	-
Interest on deferred purchase consideration	29.73	15.10
Interest on lease liabilities	1,001.46	752.16
<b>Operating profit before working capital changes</b>	<b>31,119.47</b>	<b>31,345.84</b>
<b>Working capital adjustments:</b>		
Decrease in loans	48.67	16.03
(Increase) in inventories	(685.17)	(1,573.34)
Decrease / (Increase) in trade receivables	1,460.46	(1,155.83)
(Increase) / (Decrease) in other assets (Current and non current)	(41.35)	418.18
(Increase) in other financial assets (Current and non current)	(891.72)	(492.51)
Increase in provisions	61.96	40.99
(Decrease) / Increase in trade payables	(944.56)	944.09
(Decrease) in other financial liabilities	(72.24)	(20.09)
Increase / (Decrease) in other liabilities	685.06	(393.91)
<b>Cash generated from operating activities</b>	<b>30,740.58</b>	<b>29,129.45</b>
Income Taxes (paid)	(7,025.52)	(5,506.40)
<b>Net cash generated from operating activities (A)</b>	<b>23,715.06</b>	<b>23,623.05</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and capital work-in-progress	(3,742.39)	(2,654.35)
Deferred purchase consideration paid	(651.00)	(539.50)
(Purchase) / Proceeds from sale of current investments	(680.42)	236.94
Investment in subsidiaries	(63,142.00)	-
Interest received	1,129.68	846.50
Net investments in term deposits (having original maturity of more than three months)	(6,292.69)	8,051.92
<b>Net cash (used) / generated in / from investing activities (B)</b>	<b>(73,378.82)</b>	<b>5,941.51</b>

REVISED STANDALONE STATEMENT OF CASH FLOW  
FOR THE PERIOD ENDED 31 MARCH 2022 (Contd.)

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Share to ESOP holders(Refer note 47 (c) )	197.46	3,431.78
Proceeds from borrowings	60,000.00	-
Repayment of borrowings	(34,153.47)	-
Principal payment of lease liabilities	(2,733.43)	(1,749.41)
Interest paid on lease liabilities	(1,001.46)	(719.62)
Payment of dividend	(4,093.77)	(4,089.34)
Payment of upfront fees on borrowings	(106.08)	-
Interest on borrowing	(795.24)	-
<b>Net cash generated / (used) from / in Financing activities ( C )</b>	<b>17,314.01</b>	<b>(3,126.59)</b>
<b>Net Increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(32,349.75)</b>	<b>26,437.97</b>
<b>Net Increase in cash and cash equivalents</b>	<b>(32,349.75)</b>	<b>26,437.97</b>
<b>Cash and Cash Equivalents at the beginning of the year (Refer note 13)</b>	<b>34,768.18</b>	<b>8,330.21</b>
<b>Cash and Cash Equivalents at the end of the year (Refer note 13)</b>	<b>2,418.43</b>	<b>34,768.18</b>

**Notes:**

- The Revised Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 "Statement of Cash Flows"
- The figures in the brackets indicate outflow of cash and cash equivalents.
- The movement of borrowing as per Ind AS 7 is as follows:

**Movement in borrowings (excluding interest accrued and not due)**

(₹ in Lakhs)

Particulars	31 March 2021	Cash flows	Non cash changes	31 March 2022
Long term borrowings	-	15,867.72	-	15,867.72
Short term borrowings	-	9,986.81	-	9,986.81
<b>Total borrowings</b>	<b>-</b>	<b>25,854.53</b>	<b>-</b>	<b>25,854.53</b>

**Note:** The accompanying notes 1 to 60 are an integral part of these revised standalone financial statements.

As per our revised report of even date attached

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

Chartered Accountants

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

**Tarun Kinger**

Partner

Membership No: 105003

Place: Mumbai

Date: 18 July 2022

For and on behalf of the Board of Directors

**Metropolis Healthcare Limited**

L73100MH2000PLC192798

**Dr. Sushil Shah**

Chairman &amp; Executive Director

DIN: 00179918

Place : Mumbai

**Rakesh Agarwal**

Chief Financial Officer

Place : Mumbai

**Ameera Shah**

Managing Director

DIN: 00208095

Place : Mumbai

**Simmi Bisht**

Company Secretary

Membership No: 23360

Place : Mumbai

**Vijender Singh**

Chief Executive Officer

Place: Mumbai

# REVISED STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31 MARCH 2022

## A. Changes in Equity Share Capital (Refer note 18)

(₹ in Lakhs)

Particulars	Number of shares	Amount
<b>Equity Share Capital</b>		
<b>Balance as at 31 March 2020</b>	<b>50,630,566</b>	<b>1,012.61</b>
Changes in equity share capital due to prior period errors	-	-
<b>Restated balance as at 1 April 2020</b>	50,630,566	1,012.61
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 47 (c))	486,247	9.72
<b>Balance as at 31 March 2021</b>	<b>51,116,813</b>	<b>1,022.33</b>
Changes in equity share capital due to prior period errors	-	-
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 47 (c))	55,306	1.11
<b>Balance as at 31 March 2022</b>	<b>51,172,119</b>	<b>1,023.44</b>

## B. Other Equity (Refer note 19)

(₹ in Lakhs)

Particulars	Reserves & Surplus						Total other Equity attributable to owners of Company	Total other equity
	Securities premium	Capital redemption reserve	General reserve	Capital reserve	Employee stock options reserve	Retained earnings		
<b>Balance as at 1 April 2020</b>	<b>11,880.97</b>	-	<b>1,808.17</b>	-	<b>207.06</b>	<b>36,328.90</b>	<b>50,225.10</b>	<b>50,225.10</b>
On account of merger (Refer note 46)	312.94	0.33	87.93	-	-	(3,296.52)	(2,895.32)	(2,895.32)
<b>Restated balance as at 1 April 2020*</b>	<b>12,193.91</b>	<b>0.33</b>	<b>1,896.10</b>	-	<b>207.06</b>	<b>33,032.38</b>	<b>47,329.78</b>	<b>47,329.78</b>
Profit for the year	-	-	-	-	-	18,265.29	18,265.29	18,265.29
Transfer to retained earnings	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	(247.97)	(247.97)	(247.97)
<b>Total comprehensive income</b>	-	-	-	-	-	<b>18,017.32</b>	<b>18,017.32</b>	<b>18,017.32</b>
Interim dividend	-	-	-	-	-	(4,089.34)	(4,089.34)	(4,089.34)
Share options exercised under Metropolis Employee Stock Option Scheme 2007 (Refer note 47 (c))	3,422.06	-	133.53	-	(133.53)	-	3,422.06	3,422.06
Share based payments (Refer note 32)	-	-	-	-	778.73	-	778.73	778.73
<b>Balance as at 31 March 2021</b>	<b>15,615.97</b>	<b>0.33</b>	<b>2,029.63</b>	-	<b>852.26</b>	<b>46,960.36</b>	<b>65,458.55</b>	<b>65,458.55</b>



REVISED STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE)  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(₹ in Lakhs)

Particulars	Reserves & Surplus						Total other Equity attributable to owners of Company	Total other equity
	Securities premium	Capital redemption reserve	General reserve	Capital reserve	Employee stock options reserve	Retained earnings		
<b>Balance as at 31 March 2021</b>	<b>15,615.97</b>	<b>0.33</b>	<b>2,029.63</b>	-	<b>852.26</b>	<b>46,960.36</b>	<b>65,458.55</b>	<b>65,458.55</b>
<b>Restated balance as at 1 April 2021*</b>	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	19,224.14	19,224.14	19,224.14
Other comprehensive income	-	-	-	-	-	(81.50)	(81.50)	(81.50)
<b>Total comprehensive income</b>	-	-	-	-	-	<b>19,142.64</b>	<b>19,142.64</b>	<b>19,142.64</b>
Interim dividend	-	-	-	-	-	(4,093.77)	(4,093.77)	(4,093.77)
Share options exercised under Metropolis Employee Stock Option Scheme 2007 (Refer note 47 (c))	196.35	-	358.48	-	(358.48)	-	196.35	196.35
Share based payments (Refer note 32)	-	-	-	-	685.72	-	685.72	685.72
<b>Balance as at 31 March 2022</b>	<b>15,812.32</b>	<b>0.33</b>	<b>2,388.11</b>	-	<b>1,179.50</b>	<b>62,009.23</b>	<b>81,389.49</b>	<b>81,389.49</b>

\* There are no changes in other equity due to prior period errors

Refer Note 19 for nature and purpose of reserves

The accompanying notes 1 to 60 are an integral part of these revised standalone financial statements.

As per our revised report of even date attached

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

Chartered Accountants

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

**Tarun Kingar**

Partner

Membership No: 105003

Place: Mumbai

Date: 18 July 2022

For and on behalf of the Board of Directors

**Metropolis Healthcare Limited**

L73100MH2000PLC192798

**Dr. Sushil Shah**

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

**Rakesh Agarwal**

Chief Financial Officer

Place : Mumbai

**Ameera Shah**

Managing Director

DIN: 00208095

Place : Mumbai

**Simmi Bisht**

Company Secretary

Membership No: 23360

Place : Mumbai

**Vijender Singh**

Chief Executive Officer

Place: Mumbai

# NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

## 1. BACKGROUND OF THE COMPANY AND NATURE OF OPERATION

Metropolis Healthcare Limited (the 'Company'), was incorporated in India as Pathnet India Private Limited in the year 2000 and is engaged in the business of providing pathology and related healthcare services.

The registered office of the Company is located at 250-D, Udyog Bhavan, Hind Cycle Marg, Worli, Mumbai. The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on 15 April 2019 through sale of equity shares by Dr. Sushil Kanubhai Shah and CA Lotus Investments.

## 2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation and measurement

#### a Statement of compliance:

The standalone financial statements are prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the provisions of Companies Act, 2013. The standalone financial statements are presented in lakhs of Indian rupees rounded off to two decimal places, except per share information, unless otherwise stated.

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

These financial statements have been prepared on the historical cost basis, except for share based payments, defined benefit obligations and certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

These revised standalone financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 18 July 2022. The earlier standalone financial statements of the Company for the year ended 31 March 2022 were first approved by the Board of Directors on 24 May 2022. The earlier standalone financial statements of the Company are being revised pursuant to an approved Scheme of Arrangement, the details of which are stated in note 46.

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

#### b Current vs non-current classification:

All the assets and liabilities have been classified into current and non current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Operating cycle:

All assets and liabilities have been classified as current or non-current as per the company normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of services and the time taken between acquisition of assets/inventories for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### c Basis of measurement

These financial statements have been prepared on accrual and going concern basis and the historical cost convention except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value
- Assets and liabilities assumed on business combination measured at fair value
- Equity settled share-based payments measured at fair value
- Net defined benefit asset / liability - Fair value of plan assets less present value of defined benefit obligations.

### d Key estimates and assumptions

In preparing these revised financial statements, management has made judgements, 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.

The areas involving critical estimates or judgements are :

- i. Impairment of Investments
- ii. Impairment of Goodwill
- iii. Recognition of deferred tax assets; (Note 2.2(n))
- iv. Measurement of defined benefit obligations; (Note 2.2(l))
- v. Leases - Critical judgements in determining the discount rate

### e Measurement of fair values

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

The Company has an established control framework with respect to the measurement of fair values (including Level 3 fair values). The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

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

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 year during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes

- Financial instruments (Note 40)
- Share-based payment arrangements (Note 47 (c))
- Business combination (Note 58)

## 2.2 Significant accounting policies

### a) Business combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the standalone statement of profit and loss.

Transaction costs are expensed in the standalone statement of profit and loss as incurred, other than those incurred in relation to the issue of debt

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

or equity securities which are directly adjusted in other equity. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the standalone statement of profit and loss.

Common Control:

Business combinations involving entities that are ultimately controlled by the same part(ies) before and after the business combination are considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve, security premium, capital redemption reserve and retained earnings.

The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

**b) Property plant and equipment**

**Recognition and measurement:**

Items of property, plant and equipment, other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable

purchase taxes, (after deducting trade discounts and rebates), any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

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.

Any gain or loss on derecognition of an item of property, plant and equipment is included in statement of profit and loss when the item is derecognised.

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

**Depreciation:**

Depreciation on property, plant and equipment, other than leasehold improvements, is provided under the written down value method in the manner prescribed under Schedule II of the Act, except in the following case where the life is different than as indicated in Schedule II of the Act which is based on the technical evaluation of useful life carried out by the management:

<b>Particulars</b>	<b>Management's estimate of useful life</b>	<b>Useful life as per Schedule II</b>
Laboratory Equipment's (Plant & Equipment's) : (Electrical Machinery, X-ray & diagnostic equipment's namely Cat-stan, Ultrasound, ECG monitors.)	13 years	10 years
Computers	6 years	3 years
Furniture and Fixtures	15 years	10 years
Vehicles	10 years	8 years

Leasehold improvement are depreciated over the tenure of lease term.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### c) Intangible assets

#### Goodwill

Goodwill that arises on a business combination is subsequently measured at cost less any accumulated impairment losses on testing of impairment

#### Other Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### Amortisation:

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in statement of profit and loss.

The estimated useful lives for current and comparative periods are as follows:

Computer software - 5 years

Brand - 10 years

Customer relationship - 5-8 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

### d) Impairment of non-financial assets

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.

The recoverable amount of an individual asset (or where applicable, that of cash generating unit (CGU) to which the asset belongs) 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 pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated

recoverable amount. Impairment losses are recognised in the statement of profit and loss.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each 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 amortisation, if no impairment loss had been recognised.

### e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as call options to buy out stake in subsidiary.

#### 1. Financial assets

##### Initial recognition and measurement

Financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

##### Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in three categories:

- amortised cost,
- Fair value through profit (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### Amortised cost :

A financial instrument is measured at the amortised cost if both the following conditions are met:

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

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.

### **Fair value through profit and loss ('FVTPL'):**

All financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss with all changes recognised in the standalone statement of profit and loss. Interest income (basis EIR method), from financial assets at fair value through profit or loss is recognised in the statement of profit and loss within finance income/ finance costs separately from the other gains/ losses arising from changes in the fair value.

Derivative financial instruments (call option over shares of subsidiaries) are classified as financial instruments at fair value through profit or loss. Such derivative financial instruments are initially recognised at fair value.

They are subsequently re-measured at their fair value, with changes in fair value being recognised in the statement of profit and loss.

### **Fair value through Other Comprehensive Income ('FVOCI')**

Financial assets are measured at FVOCI if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Dividends, Interest income under effective interest method, foreign exchange gains and

losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Derecognition:

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

The contractual rights to receive cash flows from the financial 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.

On de-recognition, any gains or losses on all equity instruments (measured at FVTPL) and debt instruments (other than debt instruments measured at FVOCI) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 2 Financial liabilities

#### Initial recognition and measurement

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value minus, for an item not at fair value through profit and loss (FVTPL), transaction cost that are directly attributable to its acquisition or issue.

#### Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

#### Financial Liabilities at Fair Value through Profit or Loss (FVTPL):

A financial liability is classified as Fair Value through Profit or Loss (FVTPL) if it is classified as held-for trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in the Statement of Profit and Loss.

#### Financial Liabilities at amortised cost:

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate ("EIR") method.

amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss

#### Derecognition

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

#### Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through statement of profit or loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### f) Investments in subsidiaries, associates and joint ventures:

Investments representing equity interest in subsidiaries, associates and joint ventures carried at cost less any provision for impairment.

Investments are reviewed for impairment at every year end or if events or changes in circumstances indicate that the carrying amount may not be recoverable.

#### g) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified under current financial liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**h) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**i) Inventories**

Inventories comprise of reagents, chemicals, diagnostic kits, medicines and consumables. Inventories are valued at lower of cost and net realisable value. Cost comprises the cost of purchase and all other costs attributed to bring the goods to that particular condition and location. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

**j) Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet and cash flow statement includes cash at bank and on hand, deposits held at call with banks, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

**k) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is probable.

**l) Revenue Recognition**

Revenue comprise of revenue from providing healthcare services such as health checkup and laboratory services. Pathology service is the only principal activity and reportable segment from which the Company generates its revenue.

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the service to the customer. Revenue from sales of goods or rendering of services is net of indirect taxes, reversals and discounts;

Revenue is recognised once the testing samples are processed for requisitioned test, to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.



## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

Contract liabilities - A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

### m) Other income

#### Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options); expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition

#### Dividend income

Dividend are recognised in statement of profit and loss on the date on which the Company's right to receive payment is established.

### n) Employee Benefits

#### (i) Short-term Employee benefits

Liabilities for wages and salaries, compensated absences, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are classified as short term employee benefits and are recognised as an expense in the Statement of Profit and Loss as the related service is provided.

A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (ii) Share-based payments

The cost of equity settled transactions is determined by the fair value at the grant date which is based on the Black Scholes model. The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase

in equity under "Employee Stock Options Reserve", over the period that the employees become unconditionally entitled to the options.

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Company revises its estimates of the number of options that are expected to vest, if required.

When the terms of an equity-settled award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognised for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

### (iii) Post-Employment Benefits

#### Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which a Company pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

#### Defined Benefit Plans:

The Company's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets (being funded portion), together with adjustments for unrecognised actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### o) Leases

Company as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less incentives receivables
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date
- amount expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Value Ind AS Retail Limited, which does not have recent third party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

Variable lease payments that depend on sales are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate

The right-of-use assets are presented as a separate line in the statement of financial position. The right-of-use assets are initially recognised at cost which comprises of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

### p) Income-tax

Income tax expense /income comprises current tax expense /income and deferred tax expense / income. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income, in which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

#### Current Tax

Current tax comprises of expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (or recovered from) the taxation authorities, using the applicable tax rates and tax laws.

- Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and

- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### Deferred Tax

Deferred Income tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

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 utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities 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:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### q) Foreign currency transactions

#### Functional and Presentation currency

The Company's financial statements are prepared in Indian National Rupees (₹) which is also company's functional currency.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognised in statement of profit or loss in the year in which they arise except exchange differences arising from the translation of items which are recognised in Other comprehensive income.

#### r) Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period.

#### s) Earnings per share:

Basic Earnings per share is calculated by dividing the profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

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

#### t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to

the Chief Operating Decision Maker (CODM) as defined in Ind AS-108 'Operating Segments' for allocating resources and assessing performance.

As per IND AS-108, if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under IND AS-108 has been given in the consolidated financial statements.

#### u) Recent Indian Accounting Standards (Ind AS)

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1st April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Ind AS 16 Property, Plant and Equipment – For items produced during testing/trail phase, clarification added that revenue generated out of the same shall not be recognised in statement of profit and loss and considered as part of cost of PPE.
- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.
- Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/ associate/ JV's date of transition to Ind AS is subsequent to that of Parent – Foreign Currency Translation Reserve in the books of subsidiary/associate/joint venture can be measured based Consolidated Financial Statements.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

- Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 %' test in assessing whether to derecognise a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

### v) **Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III. The transactions & balances with values below the rounding off norms adopted by the Company have been reflected as "0.00" in the relevant note to these financial statements.

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**3. PROPERTY, PLANT AND EQUIPMENT**
**Changes in the carrying value of property, plant and equipment for the year ended 31 March 2022:**

(₹ in Lakhs)

Particulars	Freehold land	Building	Leasehold improve-ment	Furniture & fixtures	Laboratory equip-ments	Office equip-ment	Computers	Vehicles	Total
<b>Gross Block (at cost) as at 1 April 2021</b>	<b>1,035.40</b>	<b>5,218.97</b>	<b>877.36</b>	<b>1,592.92</b>	<b>6,036.82</b>	<b>1,512.51</b>	<b>938.59</b>	<b>263.11</b>	<b>17,475.68</b>
Additions during the year	-	505.35	86.75	352.37	882.82	415.52	565.76	17.21	2,825.78
Disposals during the year	-	-	-	(2.54)	(7.66)	(3.07)	(48.65)	(4.00)	(65.92)
<b>Gross Block (at cost) as at 31 March 2022 (A)</b>	<b>1,035.40</b>	<b>5,724.32</b>	<b>964.11</b>	<b>1,942.75</b>	<b>6,911.98</b>	<b>1,924.96</b>	<b>1,455.70</b>	<b>276.32</b>	<b>20,235.54</b>
<b>Accumulated depreciation as at 1 April 2021</b>	-	1,156.62	554.64	803.72	2,522.86	945.59	587.99	171.61	6,743.03
Depreciation charged during the year	-	209.13	139.51	146.88	771.97	248.84	188.34	22.93	1,727.60
Disposals during the year	-	-	-	(2.13)	(7.17)	(2.93)	(46.34)	(2.24)	(60.81)
<b>Accumulated depreciation as at 31 March 2022 (B)</b>	-	<b>1,365.75</b>	<b>694.15</b>	<b>948.47</b>	<b>3,287.66</b>	<b>1,191.50</b>	<b>729.99</b>	<b>192.30</b>	<b>8,409.82</b>
<b>Net carrying amount as at 31 March 2022 (A) - (B)</b>	<b>1,035.40</b>	<b>4,358.57</b>	<b>269.96</b>	<b>994.28</b>	<b>3,624.32</b>	<b>733.46</b>	<b>725.71</b>	<b>84.02</b>	<b>11,825.72</b>

**Changes in the carrying value of property, plant and equipment for the year ended 31 March 2021:**

(₹ in Lakhs)

Particulars	Freehold land	Building	Leasehold improve-ment	Furniture & fixtures	Laboratory equip-ments	Office equip-ment	Computers	Vehicles	Total
<b>Gross Block (at cost) as at 1 April 2020</b>	<b>1,035.40</b>	<b>5,172.94</b>	<b>729.04</b>	<b>1,508.20</b>	<b>5,402.46</b>	<b>1,364.88</b>	<b>826.83</b>	<b>263.11</b>	<b>16,302.86</b>
Additions during the year	-	46.03	148.32	86.86	634.36	147.63	111.76	-	1,174.96
Disposals during the year	-	-	-	(2.14)	-	-	-	-	(2.14)
<b>Gross Block (at cost) as at 31 March 2021 (A)</b>	<b>1,035.40</b>	<b>5,218.97</b>	<b>877.36</b>	<b>1,592.92</b>	<b>6,036.82</b>	<b>1,512.51</b>	<b>938.59</b>	<b>263.11</b>	<b>17,475.68</b>
<b>Accumulated depreciation as at 1 April 2020</b>	-	<b>943.25</b>	<b>413.58</b>	<b>676.56</b>	<b>1,742.67</b>	<b>705.04</b>	<b>452.31</b>	<b>141.08</b>	<b>5,074.49</b>
Depreciation charged during the year	-	213.37	141.06	129.30	780.19	240.55	135.68	30.53	1,670.68
Disposals during the year	-	-	-	(2.14)	-	-	-	-	(2.14)
<b>Accumulated depreciation as at 31 March 2021 (B)</b>	-	<b>1,156.62</b>	<b>554.64</b>	<b>803.72</b>	<b>2,522.86</b>	<b>945.59</b>	<b>587.99</b>	<b>171.61</b>	<b>6,743.03</b>
<b>Net carrying amount as at 31 March 2021 (A) - (B)</b>	<b>1,035.40</b>	<b>4,062.35</b>	<b>322.72</b>	<b>789.20</b>	<b>3,513.96</b>	<b>566.92</b>	<b>350.60</b>	<b>91.50</b>	<b>10,732.65</b>

**Note :**

- The Company has not revalued any of its property, plant and equipment.
- Details of benami property held:**  
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- Title deeds of immovable properties not held in name of the company**

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee, and property mentioned below), to the financial statements, are held in the name of the company except for the below:

### Details as on 31 March 2022

Description of item of property	Gross carrying value (INR in lacs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Land	1,035.40	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	30-Jan-09	Merger adjudication pending
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	30-Jan-09	Merger adjudication pending
Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/ Director Relative of Director	16-Aug-00	Title clearance report pending
Buildings	35.53	Dr. Golwilkar Laboratories Pvt. Ltd	NA	30-Sep-18	Merger adjudication pending
Buildings	1,266.01	Sanket Diagnostics Pvt Ltd	NA	16-Mar-18	Merger adjudication pending
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	03-Jun-22	Merger adjudication pending

### Details as on 31 March 2021

Description of item of property	Gross carrying value (INR in lacs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
Land	1,035.40	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	30-Jan-09	Merger adjudication pending
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	30-Jan-09	Merger adjudication pending
Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/ Director Relative of Director	16-Aug-00	Title clearance report pending
Buildings	35.53	Dr. Golwilkar Laboratories Pvt. Ltd	NA	30-Sep-18	Merger adjudication pending
Buildings	1,266.01	Sanket Diagnostics Pvt Ltd	NA	16-Mar-18	Merger adjudication pending
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	03-Jun-22	Merger adjudication pending

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**4. INTANGIBLE ASSETS**
**Changes in the carrying value of intangible assets for the year ended 31 March 2022:**

(₹ in Lakhs)

Particulars	Goodwill	Total	Other intangible assets			
			Computer Software	Brand name	Customer Relationships	Total
<b>Gross Block (at cost) as at 1 April 2021</b>	<b>6,293.85</b>	<b>6,293.85</b>	<b>3,315.58</b>	<b>1,455.51</b>	<b>521.04</b>	<b>5,292.13</b>
Additions during the year	-	-	565.47	-	-	565.47
<b>Gross Block (at cost) as at 31 March 2022 (A)</b>	<b>6,293.85</b>	<b>6,293.85</b>	<b>3,881.05</b>	<b>1,455.51</b>	<b>521.04</b>	<b>5,857.60</b>
<b>Accumulated amortisation as at 1 April 2021</b>	<b>-</b>	<b>-</b>	<b>954.90</b>	<b>530.33</b>	<b>322.16</b>	<b>1,807.39</b>
Amortisation recognised for the year	-	-	694.97	145.55	93.86	934.38
Accumulated amortisation as at 31 March 2022 (B)	-	-	1,649.87	675.88	416.02	2,741.77
<b>Net carrying amount as at 31 March 2022 (A) - (B)</b>	<b>6,293.85</b>	<b>6,293.85</b>	<b>2,231.18</b>	<b>779.63</b>	<b>105.02</b>	<b>3,115.83</b>

**Changes in the carrying value of intangible assets for the year ended 31 March 2021:**

(₹ in Lakhs)

Particulars	Goodwill	Total	Other intangible assets			Total
			Computer Software	Brand name	Customer Relationships	
<b>Gross Block (at cost) as at 1 April 2020</b>	<b>6,293.85</b>	<b>6,293.85</b>	<b>1,632.92</b>	<b>1,455.51</b>	<b>521.04</b>	<b>3,609.47</b>
Additions during the year	-	-	1,682.66	-	-	1,682.66
<b>Gross Block (at cost) as at 31 March 2021 (A)</b>	<b>6,293.85</b>	<b>6,293.85</b>	<b>3,315.58</b>	<b>1,455.51</b>	<b>521.04</b>	<b>5,292.13</b>
<b>Accumulated amortisation as at 1 April 2020</b>	<b>-</b>	<b>-</b>	<b>465.11</b>	<b>384.78</b>	<b>217.96</b>	<b>1,067.85</b>
Amortisation recognised for the year	-	-	489.79	145.55	104.20	739.54
<b>Accumulated amortisation as at 31 March 2021 (B)</b>	<b>-</b>	<b>-</b>	<b>954.90</b>	<b>530.33</b>	<b>322.16</b>	<b>1,807.39</b>
<b>Net carrying amount as at 31 March 2021 (A) - (B)</b>	<b>6,293.85</b>	<b>6,293.85</b>	<b>2,360.68</b>	<b>925.18</b>	<b>198.88</b>	<b>3,484.74</b>

**Intangible assets under development**

(₹ in Lakhs)

Particulars	Amount
<b>Opening balance as at 1 April 2020</b>	<b>298.89</b>
Addition during the year	1,384.08
Capitalised during the year	1,682.97
<b>Closing balance as at 31 March 2021</b>	<b>-</b>
Addition during the year	1,142.53
Capitalised during the year	564.88
<b>Closing amount as at 31 March 2022</b>	<b>577.65</b>

**(a) Intangible Asset under Development (IAUD) Ageing Schedule**
**As at 31 March 2022**

(₹ in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	577.65	-	-	-	577.65
Projects temporarily suspended	-	-	-	-	-
	<b>577.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>577.65</b>



## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

As at 31 March 2021

(₹ in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

(b) There are no such Intangible Assets under Development, whose project costs which have exceeded their original plan cost as at 31 March 2022

### Impairment

Carrying amount of goodwill which is allocated to the pathology division as at 31 March 2022 is ₹ 6,293.84 lakhs (31 March 2021 is ₹6,293.84 lakhs). This goodwill is acquired on account of business acquisition and merger of subsidiaries.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU), which benefit from the synergies of the acquisition.

Entity	As at 31 March 2022	As at 31 March 2021
Sanjeevani Pathology Laboratory	4,593.90	4,593.90
Golwilkar Metropolis Health Services (India) Private Limited	287.00	287.00
Sudharma Metropolis Health Services Private Limited (refer note 46)	32.91	32.91
Desai Metropolis Health Services Private Limited (refer note 46)	1,173.90	1,173.90
Micron Metropolis Healthcare Private Limited (refer note 46)	58.59	58.59
Bokil Golwilkar Metropolis Healthcare Private Limited (refer note 46)	147.55	147.55
<b>Total</b>	<b>6,293.85</b>	<b>6,293.85</b>

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. We believe 5 years to be most appropriate time scale over which to review and consider annual performance before applying a fix terminal value multiple to year end cash flow.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/ forecasts approved by management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### Key assumptions used in the value-in-use calculations

Assumptions	How determined
Budgeted EBITDA growth rate	Budgeted EBITDA has been based on past experience adjusted for the following: - Revenue in the diagnostic service is expected to grow on account of changing lifestyle and food habit. Revenue and EBIDTA are factored by focused approach towards B2C division, network expansion , operational efficiencies and automation.
Terminal value growth rate	Long-term growth rate used for the purpose of calculation of terminal value has been determined by taking into account nature of business , long term inflation expectation and long term GDP expectation for the Indian economy
Post tax risk adjusted discount rate	The discount rate applied to the cash flows of each of the Group's operations is generally based on the risk free rate for ten year bonds issued by the government in India. These rates are adjusted for a risk premium to reflect both the increased risk of investing in equities and the systematic risk of of the Company.

\* EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortisation

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Post tax risk adjusted discount rate	12.50%	11.00%
Terminal value growth rate	5.00%	5.00%
Budgeted EBITDA growth rate	1% - 21%	5% - 15%

These assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

As at 31 March 2022 the estimated recoverable amount of the CGU exceeded its carrying amount and accordingly, no impairment was recognised.

The Company has also performed sensitivity analysis calculations on the projections used and discount rate applied. Given the significant headroom that exists, and the results of the sensitivity analysis performed, it is concluded that there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of goodwill to exceed its value in use.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 5. NON-CURRENT INVESTMENTS

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Investment in subsidiaries</b>		
<b>Unquoted equity shares at cost</b>		
Ekopath Metropolis Lab Services Private Limited 306,000 (31 March 2021: 306,000) Equity shares of Face value of Indian Rupees 10 each (Fully Paid up)	30.60	30.60
Metropolis Healthcare Mauritius Limited 225,100 (31 March 2021: 225,100) Equity shares of Face value of USD 1 each (Fully Paid up)	127.49	127.49
Amins Pathology Laboratory Private Limited 100,000 (31 March 2021: 100,000) Equity shares of Face value of Indian Rupees 10 each (Fully Paid up)	10.00	10.00
Metropolis Healthcare Lanka Private Limited, Sri Lanka 250,000 (31 March 2021: 250,000) Equity shares of Face value of Sri Lankan Rupee 10 each (Fully paid up)	11.04	11.04
Metropolis Histoxpert Digital Services Private Limited 3,000,000 (31 March 2021: Nil) Equity shares of Face value of Indian Rupees 10 each (Fully paid up)	0.94	-
Dr. Ganesan's Hitech Diagnostic Centre Private Limited 3,222,973 (31 March 2021: Nil) Equity shares of Face value of Indian Rupee 10 each (Fully paid up)	63,142.00	-
<b>Investment in subsidiaries</b>	<b>63,322.07</b>	<b>179.13</b>
Less : Provision for impairment	-	-
<b>Total Investment in subsidiaries (A)</b>	<b>63,322.07</b>	<b>179.13</b>
<b>Investment in joint ventures</b>		
<b>Unquoted equity shares at cost</b>		
Metropolis Histoxpert Digital Services Private Limited Nil (31 March 2021: 1,950,000) Equity shares of Face value of Indian Rupees 10 each (Fully paid up)	-	195.00
Less : Provision for impairment	-	195.00
<b>Total Investment in joint ventures (B)</b>	<b>-</b>	<b>-</b>
<b>Investments in subsidiaries and joint ventures (A+B)</b>	<b>63,322.07</b>	<b>179.13</b>
<b>Unquoted equity shares at Fair Value through Other comprehensive income</b>		
Centre for Digestive and Kidney Disease (India) Private Limited 1,750,000 (31 March 2021: 1,750,000) Equity shares of Face value of Indian Rupees 10 each (Fully Paid up)	175.00	175.00
Textiles Traders Co-operative Bank Limited 1,100 (31 March 2021: 1,100) equity shares of Face value Indian Rupees 25 each (fully paid up)	0.28	0.28
<b>Unquoted equity shares at cost</b>		
Star Metropolis Health Services Middle East LLC, Dubai 1,020 (31 March 2021: 1,020) Equity shares of Face value of AED of 1,000 each (Fully Paid up) (Refer note 51)	129.85	129.85
<b>Total</b>	<b>305.13</b>	<b>305.13</b>
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai	(129.85)	(129.85)
<b>Total</b>	<b>175.28</b>	<b>175.28</b>
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	63,497.35	354.41
Aggregate amount of impairment in value of investments	(129.85)	(129.85)

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**6. LOANS** (Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Other advances	-	0.01
Loan to related parties	72.88	72.48
<b>Total</b>	<b>72.88</b>	<b>72.49</b>

There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and their related parties, either severally or jointly with any other person, that are:

- (a) repayable on demand; or  
 (b) without specifying any terms or period of repayment"

**7. OTHER FINANCIAL ASSETS** (Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Security deposits	1,370.09	1,016.11
Fixed Deposits with banks^ (with remaining maturity of more than 12 months)	1,171.88	163.23
Other advances	188.78	56.15
	2,730.75	1,235.49
<i>(Unsecured, considered doubtful)</i>		
Security deposits		
- credit impaired	86.28	86.28
	86.28	86.28
Less : Allowance for credit impairment	(86.28)	(86.28)
<b>Total</b>	<b>2,730.75</b>	<b>1,235.49</b>

^ Includes ₹ 1,167.91 Lakhs (31 March 2021 ₹ 161.38 Lakhs) of fixed deposits pledged against bank guarantee.

The movement in allowance for credit impairment is as follows:

₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Opening balance</b>	86.28	86.28
Change in allowance for credit impairment during the year	-	-
Written off during the year	-	-
<b>Closing balance</b>	<b>86.28</b>	<b>86.28</b>

**8. NON-CURRENT TAX ASSETS (NET)**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Advance taxes (net of provision for taxes ₹ 2,877.45 Lakhs (31 March 2021 ₹ 3,567.25 Lakhs))	2,200.95	1,950.89
<b>Total</b>	<b>2,200.95</b>	<b>1,950.89</b>

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 9. OTHER NON-CURRENT ASSETS *(Unsecured, considered good)*

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Capital advances	9.45	66.36
Prepaid expenses	5.76	0.36
	<b>15.21</b>	<b>66.72</b>
<i>(Unsecured, considered doubtful)</i>		
Capital advances	-	-
- credit impaired	34.86	34.86
	34.86	34.86
Less : Allowance for credit impairment	(34.86)	(34.86)
<b>Total</b>	<b>15.21</b>	<b>66.72</b>
The movement in allowance for credit impairment is as follows:		
<b>Opening balance</b>	34.86	34.86
Change in allowance for credit impairment during the year	-	-
Written off during the year	-	-
<b>Closing balance</b>	34.86	34.86

### 10. INVENTORIES *(valued at lower of cost and net realisable value)*

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Raw materials (Reagents, chemicals, diagnostic kits, medicines and consumables etc.)	4,497.17	3,812.00
<b>Total</b>	<b>4,497.17</b>	<b>3,812.00</b>

### 11. CURRENT INVESTMENTS

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>(Unquoted at Fair Value through Profit or Loss)</b>		
<b>i) Investments in mutual funds</b>		
Birla Sun Life Cash Plus Growth - 7,473.38 (31 March 2021 - 7,473.38) Units of Face Value ₹100 each	25.44	24.61
Birla Sunlife Life Income Plus (Growth) - 192,079 (31 March 2021: 192,079) Units of ₹ 100 each	197.74	187.45
DSP BlackRock liquidity Fund- 12,999.25 (31 March 2021: 9,817.25 ) Units of ₹100 each	381.54	369.11
HDFC Overnight Fund- Direct growth option- Nil (31 March 2021: 44.431) Units	-	1.35
HDFC Cash Management Fund - Saving plan 318.96 (31 March 2020: 318.96) Units of ₹1000 each	14.64	14.09
IDFC Super Saver Income Fund - Investment Plan - Growth 247,116 (31 March 2021: 247,116) Units of ₹100 each	94.10	90.32
Kotak Bond Plan A (Growth) - 242,270 (31 March 2021: 242,270) Units of ₹100 each	152.41	146.16
Aditya Birla Sun Life Overnight fund growth - Regular Plan - 22,182.09 (31 March 2021 NIL) Units of Face Value ₹100 each	253.96	-

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(₹ in Lakhs)

	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Aditya Birla Sun Life Liquid fund growth - Regular Plan - 14,945 (31 March 2021 NIL) Units of Face Value ₹100 each	0.05	-
HDFC Overnight fund - Regular Plan - Growth - 8,097.110 (31 March 2021 NIL) Units of Face Value ₹100 each	253.93	-
HDFC Liquid fund - Regular Plan - Growth - 1,225 (31 March 2021 NIL) Units of Face Value ₹100 each	0.05	-
HDFC Overnight fund - Direct Plan - Growth Option - 44,431 (31 March 2021 NIL) Units of Face Value ₹100 each	1.40	-
ICICI Liquid fund - Regular Plan - Growth - 16,243 (31 March 2021 NIL) Units of Face Value ₹100 each	0.05	-
SBI Overnight fund - Regular Plan - Growth - 1,484 (31 March 2021 NIL) Units of Face Value ₹100 each	0.05	-
SBI Overnight fund - Regular Plan - Growth - 1,537 (31 March 2021 NIL) Units of Face Value ₹100 each	0.05	-
	<b>1,375.41</b>	<b>833.09</b>
<b>(Unquoted at Fair Value through Other Comprehensive Income)</b>		
<b>ii) Investments in Commercial Papers</b>		
Infrastructure Leasing & Financial Services Limited 100 (31 March 2021 - 100) Units of Face Value ₹5,00,000 each	480.68	480.68
	480.68	480.68
<b>Less : Provision for impairment</b>	(480.68)	(480.68)
	-	-
<b>Total</b>	<b>1,375.41</b>	<b>833.09</b>
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	1,856.09	1,313.77
Aggregate amount of impairment in value of investments	480.68	480.68

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 12. TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured*	13,956.81	14,594.84
Less: Allowance for expected credit loss	(348.95)	(1,544.84)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	1,353.50	3,302.32
Less: Allowance for credit impairment	(1,353.50)	(3,302.32)
	13,956.81	14,594.84
<b>Total</b>	<b>13,607.86</b>	<b>13,050.00</b>

\*It includes amount receivable from related parties [Refer note 41]

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

The movement in allowance for expected credit loss and credit impairment is as follows:

<b>Opening balance</b>	<b>4,847.16</b>	<b>5,013.91</b>
Change in allowance for expected credit loss and credit impairment during the year	(2,235.26)	2,208.71
Written off during the year	(909.45)	(2,375.46)
<b>Closing balance</b>	<b>1,702.45</b>	<b>4,847.16</b>

#### Trade receivables Ageing Schedule

As at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3,314.24	7,371.46	1,559.13	1,329.21	300.17	82.60	13,956.81
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	27.81	169.47	190.31	196.00	0.25	769.66	1,353.50
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total (A)</b>	<b>3,342.05</b>	<b>7,540.93</b>	<b>1,749.44</b>	<b>1,525.21</b>	<b>300.42</b>	<b>852.26</b>	<b>15,310.31</b>
Allowance for expected credit loss	-	-	-	-	-	-	1,353.50
Allowance for credit impairment	-	-	-	-	-	-	348.95
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,702.45</b>
<b>Total [(A)-(B)]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,607.86</b>

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**As at 31 March 2021**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	5,257.90	6,136.04	1,017.90	1,227.02	17.85	938.13	14,594.84
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	15.33	63.29	86.91	884.98	-	2,251.81	3,302.32
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total (A)</b>	<b>5,273.23</b>	<b>6,199.33</b>	<b>1,104.81</b>	<b>2,112.00</b>	<b>17.85</b>	<b>3,189.94</b>	<b>17,897.16</b>
Allowance for expected credit loss	-	-	-	-	-	-	-
Allowance for credit impairment	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,302.32</b>
<b>Total [(A)-(B)]</b>	<b>5,273.23</b>	<b>6,199.33</b>	<b>1,104.81</b>	<b>2,112.00</b>	<b>17.85</b>	<b>3,189.94</b>	<b>14,594.84</b>

**13. CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Cash on hand	133.24	166.85
Balances with banks		
- in current accounts	1,893.40	6,120.67
- in EEFC account	38.33	32.90
- in fixed deposits accounts with original maturity of less than 3 months	353.46	28,447.76
<b>Total</b>	<b>2,418.43</b>	<b>34,768.18</b>

**14. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Investments in term deposits (with original maturity of more than three months but less than twelve months) *^	8,477.43	3,293.90
Other bank balance (other than note 13)	100.51	
<b>Total</b>	<b>8,577.94</b>	<b>3,293.90</b>

\* Includes ₹ 9.53 Lakhs (31 March 2021 ₹ 0.38 Lakhs) fixed deposits pledged against bank guarantee

^ Includes ₹ NIL (31 March 2021 ₹ 759.38 Lakhs) fixed deposits under lien



## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 15. LOANS (Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Loans to related parties (Refer note 41)	940.94	905.70
Advances to related parties (Refer note 41)	56.39	46.93
Other advances	0.23	5.08
	<b>997.56</b>	<b>957.71</b>
<i>(Unsecured, considered doubtful)</i>		
Advances to related parties (Refer note 41)	44.02	-
Other advances	44.89	-
	<b>88.91</b>	<b>-</b>
Less : Allowance for credit impairment	(88.91)	-
<b>Total</b>	<b>997.56</b>	<b>957.71</b>
The movement in allowance for bad and doubtful advances is as follows:		
<b>Opening balance</b>	-	-
Change in allowance for credit impairment during the year	88.91	-
Written off during the year	-	-
<b>Closing balance</b>	<b>88.91</b>	<b>-</b>

There is no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

### 16. OTHER FINANCIAL ASSETS (Unsecured, considered good)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Security deposits	352.42	359.68
Interest accrued but not due		
- From related party	414.05	346.12
- From bank deposits	90.93	41.99
Other receivables *	459.81	1.81
	1,317.21	749.60
<i>(Unsecured, considered doubtful)</i>		
Security deposits	14.00	16.56
Advances to related parties (Refer note 41)	-	44.02
Other advances	-	46.16
	<b>14.00</b>	<b>106.74</b>
Less : Allowance for credit impairment	(14.00)	(106.74)
<b>Total</b>	<b>1,317.21</b>	<b>749.60</b>
The movement in allowance for credit impairment of advances is as follows:		
<b>Opening balance</b>	<b>16.56</b>	<b>16.56</b>
Change in allowance for credit impairment during the year	(2.56)	-
Written off during the year	-	-
<b>Closing balance</b>	<b>14.00</b>	<b>16.56</b>

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**17. OTHER CURRENT ASSETS** *(Unsecured, considered good)*

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	284.16	180.80
Advance to employees	155.14	111.43
Advance to suppliers	349.43	357.29
Balances with Government Authorities	(14.75)	-
Other advances (Retainership fees, etc)	387.37	475.87
	1,161.35	1,125.39
<i>(Unsecured, considered doubtful)</i>		
Advance to employees	45.96	45.96
Advance to suppliers	49.75	49.75
Other advances	243.74	238.43
	339.45	334.14
Less : Allowance for credit impairment	(339.45)	(334.14)
<b>Total</b>	<b>1,161.35</b>	<b>1,125.39</b>
The movement in allowance for credit impairment of advances is as follows:		
<b>Opening balance</b>	<b>334.14</b>	<b>334.14</b>
Change in allowance for credit impaired during the year	5.31	-
Written off during the year	-	-
<b>Closing balance</b>	<b>339.45</b>	<b>334.14</b>

**18. EQUITY SHARE CAPITAL**
**(a) Authorised share capital**

Particulars	31 March 2022		31 March 2021	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
Equity shares of the par value of ₹ 2 each (31 March 2021 par value of ₹ 2 each)	319,304,015	6,386.08	319,304,015	6,386.08
	<b>319,304,015</b>	<b>6,386.08</b>	<b>319,304,015</b>	<b>6,386.08</b>

**(b) Issued, subscribed and paid up**

Particulars	31 March 2022		31 March 2021	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
Equity shares of the par value of ₹ 2 each (31 March 2021 par value of ₹ 2 each)	51,172,119	1,023.44	51,116,813	1,022.33
	<b>51,172,119</b>	<b>1,023.44</b>	<b>51,116,813</b>	<b>1,022.33</b>

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(c) Reconciliation of number of shares outstanding at the beginning and end of the reporting year:

	31 March 2022		31 March 2021	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
<b>Equity :</b>				
Outstanding at the beginning of the year	51,116,813	1,022.33	50,630,566	1,012.61
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 47 (c) )	55,306	1.11	486,247	9.72
<b>Shares outstanding at the end of the year</b>	<b>51,172,119</b>	<b>1,023.44</b>	<b>51,116,813</b>	<b>1,022.33</b>

(d) Details of shareholders holding more than 5% of the aggregate equity shares in the Company:

Name of the shareholders	31 March 2022		31 March 2021	
	Number	Percentage	Number	Percentage
Dr. Sushil Kanubhai Shah #	3,875,245	7.57%	3,725,245	7.29%
Smallcap World Fund, Inc	-	-	3,872,946	7.58%
Metz Advisory LLP ##	15,691,216	30.66%	15,691,216	30.70%
Dr. Duru Sushil Shah	5,729,685	11.20%	6,154,685	12.04%

# Includes five Equity Shares each held by Mayur Shah (jointly with Meera Shah) and Dr. Nilesh Shah as nominees of Dr. Sushil Kanubhai Shah

## Includes five Equity Shares held by Ameera Sushil Shah as nominee of Metz Advisory LLP

(e) Details of shares held by promoters

As at 31 March 2022

(₹ in Lakhs)

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	2,447,325	150,000	2,597,325	5.08%	0.29%
Ameera Sushil Shah	181,845	-	181,845	0.36%	0.00%
Duru Shah Family Trust	1,277,920	2,405,840	3,683,760	7.20%	4.71%
Sushil Shah Family Trust	1,277,920	-	1,277,920	2.50%	0.00%
Duru Sushil Shah	4,876,765	(2,830,840)	2,045,925	4.00%	-5.54%
Metz Advisory LLP	15,691,216	-	15,691,216	30.66%	0.00%

As at 31 March 2021

(₹ in Lakhs)

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	3,725,245	1,277,920	2,447,325	4.79%	2.52%
Ameera Sushil Shah	181,845	-	181,845	0.36%	0.00%
Duru Shah Family Trust	-	1,277,920	1,277,920	2.50%	2.52%
Sushil Shah Family Trust	-	1,277,920	1,277,920	2.50%	2.52%
Duru Sushil Shah	9,209,230	4,332,465	4,876,765	9.54%	8.56%
Metz Advisory LLP	15,691,216	-	15,691,216	30.70%	0.00%

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**(f) Terms/rights attached to equity shares :**

The Company has only one class of Equity shares having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend, if proposed by the Board of Directors, will be subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend. In the event of liquidation of the Company, the holders 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.

**(g) Dividends**

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Declared during the year</b>		
Interim dividend for FY 2021-22: ₹8 per equity share (FY 2020-21: ₹ 8 per equity share)	(4,093.77)	(4,089.34)
	<b>(4,093.77)</b>	<b>(4,089.34)</b>

**19. OTHER EQUITY**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Securities premium	15,812.32	15,615.97
Capital redemption reserve	0.33	0.33
General reserve	2,388.11	2,029.63
Employee stock options reserve	1,179.50	852.26
Retained earnings	62,009.23	46,960.36
<b>Total</b>	<b>81,389.49</b>	<b>65,458.55</b>
<b>Movement in balances of Other equity:</b>		
<b>Securities Premium</b>		
Balance as at the beginning of the year	15,615.97	12,193.91
Share options exercised under Metropolis Employee Stock Option Scheme 2007/2015 (Refer note 47 (c) )	196.35	3,422.06
<b>Balance as at the end of the year</b>	<b>15,812.32</b>	<b>15,615.97</b>
<b>Capital redemption reserve</b>		
Balance as at the beginning of the year	0.33	0.33
Utilised on issue of bonus shares	-	-
<b>Balance as at the end of the year</b>	<b>0.33</b>	<b>0.33</b>
<b>General reserve</b>		
Balance as at the beginning and at the end of the year	2,029.63	1,896.10
Transfer from ESOP exercised during the year (Refer note 47 (c) )	358.48	133.53
<b>Balance as at the end of the year</b>	<b>2,388.11</b>	<b>2,029.63</b>
<b>Employee stock options reserve</b>		
Balance as at the beginning of the year	852.26	207.06
Transfer to General Reserve on account of ESOP exercised during the year (Refer note 47(c))	(358.48)	(133.53)
Share based payments (Refer note 32)	685.72	778.73
<b>Balance as at the end of the year</b>	<b>1,179.50</b>	<b>852.26</b>

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

	As at 31 March 2022	As at 31 March 2021
<b>Retained earnings</b>		
Balance as at the beginning of the year	46,960.36	33,032.38
Transferred from statement of profit and loss	19,224.14	18,265.29
Interim dividend paid	(4,093.77)	(4,089.34)
Other comprehensive income	(81.50)	(247.97)
<b>Balance as at the end of the year</b>	<b>62,009.23</b>	<b>46,960.36</b>

### Nature and purpose of reserves

#### Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. It can be used to issue bonus shares, to purchase of its own shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

#### Capital redemption reserve

The Company recognises the capital redemption reserve from its retained earnings as per the provisions of Companies Act, 2013, as applicable.

#### General reserve

General Reserve is free reserve which is created by transferring funds from retained earnings to meet future obligations or purposes.

#### Capital reserve

It represents the excess of net assets taken, over the cost of consideration paid in business combination transaction.

#### Employee stock options reserve

The Company has established equity settled share based payment plan for certain categories of employees. (Refer note 47(c))

#### Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings is a free reserve available to the Company.

#### Re-measurement gain/ (loss) on defined benefit plans (net of taxes)

The Company has elected to recognise changes in the value of certain liabilities toward employee compensation in Other Comprehensive Income. These changes are accumulated within re-measurement gain/ (loss) on defined benefit plan reserve within equity.

#### Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign subsidiaries.

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**20. BORROWINGS**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Secured loan</b>		
Term loans from banks	15,867.72	-
<b>Total</b>	<b>15,867.72</b>	<b>-</b>

**Note**

- (i) Term loan from a bank amounting to INR 15,000 lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited and 30% shares of Desai Metropolis Health Services Pvt. Ltd. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with 21 October 2024 as maturity date with an interest rate as agreed with the bank.
- (ii) Term loan from a bank amounting to INR 15,000 lakhs is secured through first charge on the current assets, movable fixed assets and specific immovable properties. The Term loan is repayable in 36 equal monthly instalments with 21 October 2024 as maturity date with an interest rate as agreed with the bank.
- (iii) Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

**21. OTHER FINANCIAL LIABILITIES**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Deferred purchase consideration payable (Refer Note 50 (b))	89.43	122.08
<b>Total</b>	<b>89.43</b>	<b>122.08</b>

**22. PROVISIONS**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>22A Non-Current</b>		
Provision for employee benefits		
Gratuity (Refer note 47 (a) )	908.01	777.63
Compensated absences	-	22.74
	<b>908.01</b>	<b>800.37</b>
<b>22B Current</b>		
Provision for employee benefits		
Gratuity (Refer note 47 (a) )	801.20	752.16
Compensated absences	25.33	11.08
	<b>826.53</b>	<b>763.24</b>

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 23. BORROWINGS

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Secured</b>		
Term loans from banks	9,986.81	-
<b>Total</b>	<b>9,986.81</b>	<b>-</b>

- (i) Term loan from a bank amounting to INR 15,000 lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited and 30% shares of Desai Metropolis Health Services Pvt. Ltd. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with 21 October 2024 as maturity date with an interest rate as agreed with the bank.
- (ii) Term loan from a bank amounting to INR 15,000 lakhs is secured through first charge on the current assets, movable fixed assets and specific immovable properties. The Term loan is repayable in 36 equal monthly instalments with 21 October 2024 as maturity date with an interest rate as agreed with the bank.
- (iii) Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

### 24. TRADE PAYABLES

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Total outstanding due to micro enterprises and small enterprises (Refer Note 24.1)	130.32	245.94
Total outstanding due of creditors other than micro enterprises and small enterprises*	8,462.16	9,302.98
<b>Total</b>	<b>8,592.48</b>	<b>9,548.92</b>

\* Includes amount payable to related parties - Refer Note 41)

#### Ageing for trade payables from the due date of payment for each of the category as at 31 March 2022

As at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	117.78	12.44	0.10	-	130.32
Undisputed dues of creditors other than micro enterprises and small enterprises	6,892.02	936.73	450.26	183.15	8,462.16
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>7,009.80</b>	<b>949.17</b>	<b>450.36</b>	<b>183.15</b>	<b>8,592.48</b>

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**As at 31 March 2021**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	241.12	4.82	-	-	245.94
Undisputed dues of creditors other than micro enterprises and small enterprises	8,693.01	203.31	209.83	196.83	9,302.98
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>	<b>8,934.13</b>	<b>208.13</b>	<b>209.83</b>	<b>196.83</b>	<b>9,548.92</b>

**24.1 Micro and small enterprises**

There are some micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2022. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
a. Principal amount remaining unpaid to any supplier as at the year end	130.32	245.94
<b>Interest due thereon:</b>		
b. Amount of Interest paid during the year		
c. Amount of payments made to the supplier beyond the appointed day during the accounting year.	-	-
d. 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 period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006)	-	-
e. Amount of Interest accrued and remaining unpaid at the end of the accounting year.	2.18	15.00
f. 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 enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

**25. OTHER FINANCIAL LIABILITIES**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Interest accrued and due on borrowings	-	-
Employee related dues	1,157.20	1,192.30
Payable towards purchase of property, plant and equipment	428.28	258.83
Payable towards acquisition of business (Refer note 50 (b))	143.03	731.65
Security deposits	78.59	89.34
Others (unspent CSR liability, etc)	147.15	173.54
<b>Total</b>	<b>1,954.25</b>	<b>2,445.66</b>



## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 26. CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Provision for taxation (net of advance tax -31 March 2022: ₹ 3,950.10 Lakhs, {31 March 2021: ₹ 3,516.56 Lakhs} )	342.48	1,207.86
<b>Total</b>	<b>342.48</b>	<b>1,207.86</b>

### 27. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Statutory dues#	397.83	351.35
Advances from Customers	1,599.12	961.65
Deferred Revenue	67.41	70.00
Other Payable**	63.27	59.57
<b>Total</b>	<b>2,127.63</b>	<b>1,442.57</b>

# Statutory Dues payable include Tax Deducted at Source, Provident Fund, Professional tax, Others

\*\* Other payable include payable to CA Lotus and Sushil Shah on account of refund of additional filing fee received from SEBI.

### 28. REVENUE FROM OPERATIONS

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
India	1,10,170.75	95,216.45
Outside India	1,540.84	896.07
Service income (Refer note 45)	1,11,711.59	96,112.52
<b>Other Operating revenue</b>		
Sundry balances written back	1.47	26.09
<b>Total</b>	<b>1,11,713.06</b>	<b>96,138.61</b>

### 29. OTHER INCOME

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Interest Income</b>		
- from banks	974.18	849.24
- on income tax refund	3.82	1.35
- on term loans	0.60	11.19
- others (Interest income on Deposits)	47.53	46.46
- from related parties (Refer Note 41)	70.58	61.93
<b>Other Non-Operating Income</b>		
- Provision for doubtful debts written back (net)	426.83	-
- Fair value gain on mutual funds measured at FVTPL	41.97	26.53
- Gain on redemption of mutual fund investments (net)	-	13.47
- Profit on Sales on Mutual fund	-	24.16
- Miscellaneous income	34.05	196.50
- Provision for impairment of non-current investments	0.62	-
<b>Total</b>	<b>1,600.18</b>	<b>1,230.83</b>

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**30. COST OF MATERIAL CONSUMED**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Opening stock (Refer note 10)	3,812.00	2,238.70
Add: Purchase of traded goods	-	-
Add: Purchases of raw materials	25,952.56	25,996.42
	29,764.56	28,235.12
Less: Closing stock (Refer note 10)	(4,497.17)	(3,812.00)
<b>Total</b>	<b>25,267.39</b>	<b>24,423.12</b>

**31. LABORATORY TESTING CHARGES**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Laboratory testing charges	594.47	464.15
<b>Total</b>	<b>594.47</b>	<b>464.15</b>

**32. EMPLOYEE BENEFITS EXPENSE**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Salaries, wages and bonus	17,899.08	16,508.14
Gratuity expenses (Refer note 47 (a) )	267.41	207.74
Contribution to provident and other funds (Refer note 47 (b) )	1,162.68	898.35
Share based payment expenses (Refer note 47 (c) ) *	685.72	778.73
Staff welfare expenses	997.49	431.25
<b>Total</b>	<b>21,012.38</b>	<b>18,824.21</b>

\*During the year ended 31 March 2022, total expense of ₹ 685.72 Lakhs (31 March 2021 778.73 Lakhs) includes reversals due to lapsed options amounting to ₹ 28.41 Lakhs (31 March 2021 25.44 Lakhs).

**33. FINANCE COSTS**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Interest on borrowings	901.32	0.32
Interest on deferred purchase consideration measured at amortised cost (Refer note 50 (b))	29.73	47.32
Interest on lease liabilities (Refer note 38)	1,001.46	719.62
<b>Total</b>	<b>1,932.51</b>	<b>767.26</b>

**34. DEPRECIATION AND AMORTISATION EXPENSE**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Depreciation on Property, Plant and Equipment (Refer note 3)	1,727.61	1,670.66
Amortisation on intangible assets (Refer note 4)	934.38	739.54
Depreciation on Right of use (Refer note 38)	2,926.31	1,968.09
<b>Total</b>	<b>5,588.30</b>	<b>4,378.29</b>

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 35. OTHER EXPENSES

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Accreditation expenses	234.89	118.68
Waste disposal charges	21.63	-
Laboratory expenses	197.76	137.17
Power and fuel	1,168.51	1,151.94
Rent (Refer note 38)	10,181.41	6,027.54
Repairs and maintenance		
Buildings	59.12	79.83
Plant and equipment	1,709.32	1,459.47
Others	290.99	223.18
Insurance	184.88	169.36
Rates and taxes	159.18	126.30
Bank charges	482.73	359.20
Sample Collection Charges	165.65	80.95
Legal and professional	7,468.36	3,617.72
Travelling and conveyance	955.36	888.80
Printing and stationery	590.47	582.91
Provision for bad and doubtful debts (net)	8.51	2,115.54
Provision for doubtful advances (net)	1.90	100.00
Postage and courier	5,799.77	3,741.34
Communication	453.62	456.04
Advertisement and sales promotion expenses	2,297.73	1,145.25
Facility maintenance charges	957.47	719.07
Loss on sale of property, plant and equipment	1.57	-
Donation	10.06	-
Payments to auditors (Refer note 44)	128.39	131.57
Fair value loss on derivative assets measured at FVTPL	-	27.77
Corporate social responsibility expenses (Refer note 49)	426.15	524.35
Directors' sitting fee & commission (Refer note 41)	47.94	60.25
Foreign exchange loss (net)	19.84	28.84
Miscellaneous expenses	303.77	226.51
Write-off of Property, Plant and Equipment	3.40	-
<b>Total</b>	<b>34,330.38</b>	<b>24,299.58</b>

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**36. EXCEPTIONAL ITEMS**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Provision on account of settlement of litigation with Dr. Golwilkar	9.84	-
Provision reversal on account of settlement of disputed trade receivables	(1,600.00)	-
	<b>(1,590.16)</b>	<b>-</b>

**Notes:**

- The Company was in a prolonged dispute in relation to trade receivables from a party towards lab management services rendered by the Company and the matter was under arbitration. The Company has amicably resolved the dispute with the party and agreed final settlement of ₹ 1,600 Lakhs towards all the claims. The Company has disclosed this under exceptional item in the year ended 31 March 2022.
- The Company had filed Arbitration proceedings against Dr. Golwilkar Labs Private Limited (Golwilkar) claiming an amount of ₹759 Lakhs (along with interest thereon) lying in Escrow account. Golwilkar subsequently filed their Counter claim for an amount of ₹143.10 Lakhs on the Company towards alleged non-payment of salary/ consultancy fees to them (along with interest thereon). On 8 July 2021, the Hon'ble Tribunal passed an Arbitral Award allowed claims of both the Claimant and the Respondents along with 6% interest. Thereafter the Company and Golwilkar entered into settlement agreement to withdraw the amount lying in Escrow account. The Company has disclosed this under exceptional items in the year ended 31 March 2022.

**37. INCOME TAXES**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>i. Tax expense recognised in Profit and Loss :</b>		
<b>Current tax expense</b>		
Current year	6,040.90	6,079.30
Tax adjustments for earlier years	(127.02)	(137.72)
<b>Total (A)</b>	<b>5,913.88</b>	<b>5,941.58</b>
<b>Deferred tax expense</b>		
Relating to addition & reversal of temporary differences	1,039.94	5.97
<b>Total (B)</b>	<b>1,039.94</b>	<b>5.97</b>
<b>Total (A+B)</b>	<b>6,953.82</b>	<b>5,947.55</b>

**ii. Tax charge recognised in Other Comprehensive Income**

(₹ in Lakhs)

Particulars	31 March 2022		
	Pre tax	Tax benefit/ (expense)	Net of tax
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans	(108.97)	27.47	(81.50)
	<b>(108.97)</b>	<b>27.47</b>	<b>(81.50)</b>

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(₹ in Lakhs)

Particulars	31 March 2021		
	Pre tax	Tax benefit/ (expense)	Net of tax
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans	(331.33)	83.36	(247.97)
	<b>(331.33)</b>	<b>83.36</b>	<b>(247.97)</b>

iii. Movement in deferred tax balances

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Profit before tax</b>	26,177.96	24,212.83
Income tax expense at tax rates applicable to individual entities	6,588.99	6,094.37
<b>Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:</b>		
Expenses not allowed under Income tax	96.61	123.21
Dividend Income (Exempt Income)		
Income taxable at a different rate	-	-
Tax adjustment of earlier years	(127.02)	(137.72)
Others	395.25	(132.29)
<b>Total tax expense</b>	<b>6,953.83</b>	<b>5,947.57</b>

iv. Movement in deferred tax balances

As at 31 March 2022

(₹ in Lakhs)

Particulars	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(1,434.50)	(290.70)	-	(1,725.20)	61.61	(1,786.81)
Current investments	90.14	(2.46)	-	87.68	(33.30)	120.98
Provision for bad and doubtful debts	1,359.00	(826.74)	-	532.26	28.58	503.68
Provision for bad and doubtful advances / deposits	2.38	10.75	-	13.13	13.13	-
Provision for employee benefits	436.19	26.81	27.47	490.47	112.48	377.99
Impact of Ind AS -116	211.00	65.29		276.29	57.92	218.37
Share based payments	214.51	Nil	-	214.51	-	214.51
Others	54.62	(22.87)	-	31.75	8.16	23.59
<b>Tax Assets (Liabilities) (net)</b>	<b>933.34</b>	<b>(1,039.92)</b>	<b>27.47</b>	<b>(79.11)</b>	<b>248.58</b>	<b>(327.69)</b>

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**As at 31 March 2021**

(₹ in Lakhs)

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Business Combination*	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(1,090.43)	(344.06)	-	-	(1,434.50)	-	(1,434.50)
Current investments	90.00	0.16	-	-	90.14	90.14	-
Provision for bad and doubtful debts	1,612.09	(253.09)	-	-	1,359.00	1,346.21	12.79
Provision for bad and doubtful advances / deposits	1.50	0.88	-	-	2.38	2.38	-
Provision for employee benefits	355.63	(2.80)	83.36	-	436.19	402.85	33.34
Impact of Ind AS -116	183.25	27.75	-	-	211.00	203.69	7.31
Share based payments	52.12	162.39	-	-	214.51	214.51	-
Others	(349.06)	402.80	-	-	54.62	54.62	-
<b>Tax Assets (Liabilities) net</b>	<b>855.10</b>	<b>(5.97)</b>	<b>83.36</b>	<b>-</b>	<b>933.34</b>	<b>2,314.40</b>	<b>(1,381.06)</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

**Tax Assets and Liabilities**

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Non current tax assets (net of tax provision)	2,200.95	1,950.89
Current tax liabilities (net of tax assets)	342.48	1,207.86

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 38. DISCLOSURE ON IND-AS 116 LEASES

#### 1 The following is the summary of practical expedients elected on application:

- i Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- ii Applied the exemption not to recognise right-of-use assets and liabilities for leases :
  - a. with less than 12 months of lease term on the date of initial application
  - b. Rent outflow of less than ₹ 5 Lakhs in entire tenure of arrangement
- iii Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- iv Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

1 The effect of depreciation and interest related to Right Of Use Asset and Lease Liability are reflected in the Statement of Profit & Loss Account under the heading "Depreciation and Amortisation Expense" and "Finance costs" respectively under Note No 33 and 34

2 The incremental borrowing rate applied to lease liabilities for 2021-22 is 9.2% -10.10% based on tenure of arrangement

3 Following are the changes in the carrying value of right of use assets for the year ended 31 March 2022:

(₹ in Lakhs)

Particulars	Category of ROU					Total
	Office Space	Patient Service Center	Lab	HUB	Re-agent	
<b>Balance as of 1 April 2020</b>	1,781.83	2,018.92	1,753.98	299.46	-	5,854.19
Reclassifications	-	10.31	10.49	-	-	20.80
Additions	887.18	493.82	384.16	-	4,541.25	6,306.41
Deletion	-	(15.59)	-	-	-	(15.59)
Depreciation	(681.64)	(598.25)	(349.44)	(111.69)	(227.06)	(1,968.08)
<b>Balance as of 31 March 2021</b>	<b>1,987.37</b>	<b>1,909.21</b>	<b>1,799.19</b>	<b>187.77</b>	<b>4,314.19</b>	<b>10,197.73</b>
Reclassifications	(842.82)	-	-	-	842.82	-
Additions	597.54	523.17	248.87	-	1,530.00	2,899.58
Depreciation	(512.90)	(598.51)	(352.60)	(111.70)	(1,350.60)	(2,926.31)
<b>Balance as of 31 March 2022</b>	<b>1,229.19</b>	<b>1,833.87</b>	<b>1,695.46</b>	<b>76.07</b>	<b>5,336.41</b>	<b>10,171.00</b>

#### 4 The following is the break-up of current and non-current lease liabilities as of 31 March 2022:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Current Lease liabilities	3,452.95	3,278.92
Non-current lease liabilities	7,813.79	7,821.68
<b>Total</b>	<b>11,266.74</b>	<b>11,100.60</b>

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

5. The following is the movement in lease liabilities for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	Amount
<b>Balance as of 1 April 2020</b>	<b>6,547.76</b>
Additions	6,306.39
Interest cost accrued during the period	719.62
Deletion	(19.01)
Payment of lease liabilities	(2,454.16)
<b>Balance as of 31 March 2021</b>	<b>11,100.60</b>
Additions	2,899.58
Interest cost accrued during the period	1,001.46
Payment of lease liabilities	(3,734.90)
<b>Balance as of 31 March 2022</b>	<b>11,266.74</b>

6. The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2022 on an undiscounted basis:

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Less than one year	3,502.19	3010.81
One to five years	9,183.31	8551.35
More than 5 years	1,053.96	933.15
<b>Total</b>	<b>13,739.46</b>	<b>12,495.31</b>

7. Impact of adoption of Ind AS 116 for the year ended 31 March 2022 is as follows:

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Decrease in Other expenses by	3,734.90	2,454.16
Increase in Finance cost by	1,001.46	719.62
Increase in Depreciation by (excludes depreciation on reclassified assets)	2,926.31	1,968.08
<b>Net Impact on Profit/Loss</b>	<b>7,662.67</b>	<b>5,141.86</b>

8. The Company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

9. Rental expense recorded for short-term leases / Variable rent was ₹ 10,181.04 Lakhs (31 March 2021 ₹ 6,288.08 Lakhs) for the year ended 31 March 2022.

10. The total cash outflow for leases for year ended 31 March, 2022 is ₹ 4,020.18 Lakhs (31 March 2021 ₹ 2,525.55 Lakhs)



## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 39. EARNINGS PER SHARE

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>i. Profit attributable to equity holders (₹ in Lakhs)</b>		
Profit attributable to equity holders for basic and diluted EPS	19,224.14	18,265.28
<b>ii. Weighted average number of shares for calculating basic</b>	<b>5,11,56,132</b>	5,09,03,685
<b>iii. Effect of dilution</b>		
Share options and warrants	2,58,016	2,57,546
<b>Weighted average number of shares for calculating diluted EPS</b>	<b>5,14,14,148</b>	5,11,61,231
<b>iv. Basic earnings per share (₹)</b>	<b>37.58</b>	35.88
<b>v. Diluted earnings per share (₹)</b>	<b>37.39</b>	<b>35.70</b>

#### Note:

Ind AS 33 'Earnings per share', requires an adjustment in the calculation of basic and diluted earnings per share for all the periods presented if the number of equity or potential equity shares outstanding change as a result of share sub-division and bonus. The weighted average numbers of shares and consequently the basic and diluted earnings per share have accordingly been adjusted in the financial statements.

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**40. FINANCIAL INSTRUMENTS – FAIR VALUES**
**(i) Accounting classification and fair values**

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

(₹ in Lakhs)

Particulars	As at 31 March 2022							Total
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Non-current Financial assets</b>								
Non-current investments								
- Equity instruments (other than Subsidiaries, Joint ventures and Associates)**	-	-	-	-	-	-	-	-
Non-current loans	-	-	72.88	72.88	-	-	-	-
Other non current financial assets	-	-	2,730.75	2,730.75	-	-	-	-
<b>Current Financial assets</b>								
Investment in mutual funds	1,375.41	-	-	1,375.41	1,375.41	-	-	1,375.41
Trade receivables	-	-	13,607.86	13,607.86	-	-	-	-
Cash and cash equivalents	-	-	2,418.43	2,418.43	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	8,577.94	8,577.94	-	-	-	-
Current loans	-	-	997.56	997.56	-	-	-	-
Other current financial assets	-	-	1,317.21	1,317.21	-	-	-	-
	<b>1,375.41</b>	<b>-</b>	<b>29,722.63</b>	<b>31,098.04</b>	<b>1,375.41</b>	<b>-</b>	<b>-</b>	<b>1,375.41</b>
<b>Non-current Financial liabilities</b>								
Borrowings	-	-	15,867.72	15,867.72	-	-	-	-
Other non-current financial liabilities	-	-	89.43	89.43	-	-	-	-
Lease Liabilities	-	-	7,813.79	7,813.79	-	-	-	-
<b>Current Financial liabilities</b>								
Borrowings	-	-	9,986.81	9,986.81	-	-	-	-
Trade payables	-	-	8,592.48	8,592.50	-	-	-	-
Other current financial liabilities	-	-	1,954.25	1,954.25	-	-	-	-
Lease Liabilities	-	-	3,452.95	3,452.95	-	-	-	-
	<b>-</b>	<b>-</b>	<b>47,757.43</b>	<b>47,757.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### Accounting classification and fair values

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

(₹ in Lakhs)

Particulars	As at 31 March 2021							Total
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Non-current Financial assets</b>								
Non-current investments	-	-	-	-	-	-	-	-
- Equity instruments (other than Subsidiaries, Joint ventures and Associates)**								
Non-current loans	-	-	72.49	72.49	-	-	-	-
Other non current financial assets	-	-	1,235.49	1,235.49	-	-	-	-
<b>Current Financial assets</b>								
Investment in mutual funds	833.09	-	-	833.09	833.09	-	-	833.09
Trade receivables	-	-	13,050.00	13,050.00	-	-	-	-
Cash and cash equivalents	-	-	34,768.18	34,768.18	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	3,293.90	3,293.90	-	-	-	-
Current loans	-	-	957.71	957.71	-	-	-	-
Other current financial assets	-	-	749.60	749.60	-	-	-	-
	<b>833.09</b>	<b>-</b>	<b>54,127.37</b>	<b>54,960.46</b>	<b>833.09</b>	<b>-</b>	<b>-</b>	<b>833.09</b>
<b>Non-current Financial liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Other non-current financial liabilities	-	-	122.08	122.08	-	-	-	-
Lease Liabilities	-	-	7,821.68	7,821.68	-	-	-	-
<b>Current Financial liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	9,548.92	9,548.92	-	-	-	-
Other current financial liabilities	-	-	2,445.66	2,445.66	-	-	-	-
Lease Liabilities	-	-	3,278.92	3,278.92	-	-	-	-
	<b>-</b>	<b>-</b>	<b>23,217.26</b>	<b>23,217.26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*\*The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at their cost, i.e. ₹ 175.28 Lakhs (31 March 2021 ₹175.28 Lakhs)

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The call options are fair valued at each reporting date through statement of profit and loss.

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**B Fair value hierarchy**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the revised Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level. This is the case for unlisted equity securities included in level 3.

**Financial instruments measured at fair value**

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in mutual funds	The fair value of the units of mutual fund scheme are based on net asset value at each reporting date.	Not applicable	Not applicable
Investment in Commercial Papers	The fair value of commercial papers is derived through Stochastic Local Volatility process, where in yield is derived from trade data and pooled levels of similar instruments with similar maturity and credit rating that are traded in secondary market, adjusted by an illiquidity factor.	Not applicable	Not applicable

**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

**Maturities of financial liabilities**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

**As at 31 March 2022**

(₹ in Lakhs)

Particulars	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Payable towards acquisition of business*	232.46	234.75	143.02	91.73	-	-
Lease Liabilities	11,266.74	13,739.46	3,502.19	6,126.63	3,056.68	1,053.96
Trade payables	8,592.48	8,592.48	8,592.48	-	-	-
Other current financial liabilities	1,811.22	1,811.22	1,811.22	-	-	-
<b>Total</b>	<b>31,889.70</b>	<b>34,364.71</b>	<b>24,035.71</b>	<b>6,218.36</b>	<b>3,056.68</b>	<b>1,053.96</b>

**As at 31 March 2021**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(₹ in Lakhs)

Particulars	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Payable towards acquisition of business*	853.73	901.50	751.00	150.50	-	-
Current borrowings	-	-	-	-	-	-
Lease Liabilities	11,100.59	12,495.31	3,010.81	6,797.17	1,754.18	933.15
Trade payables	9,548.92	9,548.92	9,548.92	-	-	-
Other current financial liabilities	1,591.93	1,591.93	1,591.93	-	-	-
<b>Total</b>	<b>23,095.17</b>	<b>24,537.66</b>	<b>14,902.66</b>	<b>6,947.67</b>	<b>1,754.18</b>	<b>933.15</b>

\*The outflows disclosed in the above table represent the total contractual undiscounted cash flows.

### Financial risk management

The Company' Board of Directors has overall responsibility for the establishment and oversight of the company' risk management framework.

The Company has exposure to the following risks arising from financial instruments

- Credit risk
- Liquidity risk
- Market risk

#### (i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables and cash and cash equivalents. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

##### a. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company does not have any significant concentration of credit risk. Further, company has one customer (31 March 2021 one customer) which accounts for 10% or more of the total trade receivables at each reporting date.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

The movement in the provision for debts having significant increase in credit risk and which are credit impaired for the year ended 31 March 2022

Particulars	Amount (₹ in Lakhs)
<b>Balance as at 31 March 2020</b>	<b>5,910.85</b>
Deduction on account of write off and collections	(3,179.23)
Expected Credit Loss allowance	2,115.54
<b>Balance as at 31 March 2021</b>	<b>4,847.16</b>
Deduction on account of write off and collections	(2,726.39)
Expected Credit Loss allowance	(418.32)
<b>Balance as at 31 March 2022</b>	<b>1,702.45</b>

##### b. Cash and cash equivalents and Other bank balances

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

The Company held cash and cash equivalents and other bank balances of ₹ 10,996.37 Lakhs at 31 March 2022 (31 March 2021: ₹38062.08 Lakhs). The cash and cash equivalents are held with bank with good credit ratings.

**c. Investments**

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

**d. Loans and advances**

Loans and advances mainly consist security deposit and advances to related parties.

The security deposit pertains to rent deposit given to lessors. The Company does not expect any losses from non-performance by these counter-parties.

The loans and advances given majorly pertains to joint venture and associates. The parties have been generally regular in making payments and hence the Company does not expect significant impairment losses on its current profile of outstanding advances. The advances which have defaulted in the past is mainly on account of uncontrollable adverse local market conditions which has diluted parties credit worthiness.

The movement in the provision for advances having significant increase in credit risk and which are credit impaired for the year ended 31 March 2022:

Particulars	Amount (₹ in Lakhs)
<b>Balance as at 31 March 2020</b>	<b>472.41</b>
Deduction on account of write off	(10.39)
Movement during the year	100.00
<b>Balance as at 31 March 2021</b>	<b>562.02</b>
Deduction on account of write off	(14.42)
Movement during the year	1.90
<b>Balance as at 31 March 2022</b>	<b>549.50</b>

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### (iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

#### a. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk.

#### Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. ₹)

The currency profile of financial assets and financial liabilities as at 31 March 2022 and 31 March 2021 are as below:

31 March 2022	SGD	EUR	GBP	USD	OMR
<b>Financial assets (A)</b>					
Trade and other receivables	2,372.16	-	-	-	-
Loans	947.90	-	-	-	-
Interest receivable	413.60	-	-	-	-
Advance given	81.18	-	0.31	0.45	30.58
<b>Financial liabilities (B)</b>					
Trade and other payables	3.41	-	-	0.38	-
Advance taken	1.00	-	-	-	-
Net exposure (A - B)	<b>3,810.43</b>	<b>-</b>	<b>0.31</b>	<b>0.07</b>	<b>30.58</b>
<b>31 March 2021</b>					
<b>Financial assets (A)</b>					
Trade and other receivables	2,028.19	33.87	-	-	-
Loans	918.18	-	-	-	-
Interest receivable	345.20	-	-	-	-
Advance given	23.49	-	0.31	0.45	29.73
<b>Financial liabilities (B)</b>					
Trade and other payables	3.30	-	-	0.39	-
Net exposure (A - B)	<b>3,311.76</b>	<b>33.87</b>	<b>0.31</b>	<b>0.06</b>	<b>29.73</b>

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at 31 March 2022 and 31 March 2021 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in Lakhs)

Effect in ₹	31 March 2022		31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening
<b>3% movement</b>				
USD	(9.87)	9.87	(11.79)	11.79
SGD	(0.92)	0.92	(0.89)	0.89
GBP	-	-	-	-
OMR	-	-	(1.02)	1.02
EUR	(0.01)	0.01	(0.01)	0.01
	<b>(10.80)</b>	<b>10.80</b>	<b>(13.71)</b>	<b>13.71</b>

"0" denotes amount below ₹ 500

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**b. Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Fixed-rate instruments</b>		
Financial assets	12,096.00	32,500.03
Financial liabilities	(10,219.27)	(853.73)
	1,876.73	31,646.30
<b>Variable-rate instruments</b>		
Financial assets	-	-
Financial liabilities	(27,134.46)	(11,100.59)
	(27,134.46)	(11,100.59)
<b>Total</b>	<b>(25,257.73)</b>	<b>20,545.71</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

(₹ in Lakhs)

₹	Profit or loss	
	100 bp increase	100 bp decrease
<b>For the year ended 31 March 2022</b>		
Variable-rate instruments	(271.34)	271.34
<b>Cash flow sensitivity (net)</b>	<b>(271.34)</b>	<b>271.34</b>
<b>For the year ended 31 March 2021</b>		
Variable-rate instruments	(111.01)	111.01
<b>Cash flow sensitivity (net)</b>	<b>(111.01)</b>	<b>111.01</b>

(Note: The impact is indicated on the profit/loss and equity before tax basis)

**(iv) Capital management**

The objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios to support its business and maximise shareholder value.

The Company has equity capital and other reserves attributable to the equity shareholders, as the only source of capital and the company has insignificant interest bearing borrowings/ debts as on the reporting date. Hence, the Company is not subject to any externally imposed capital requirements.



## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### **41. RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:**

#### **A. Relationships –**

##### **Category I: Joint Venture:**

Metropolis Histoxpert Digital Services Private Limited (ceased to be Joint venture effective 25 November 2021)

##### **Category II: Subsidiaries:**

Ekopath Metropolis Lab Services Private Limited

Metropolis Healthcare (Mauritius) Limited

Amin's Pathology Laboratory Private Limited (Formerly known as Metropolis Wellness Products Private Limited)

Metropolis Healthcare Lanka (Private) Limited (Formerly known as Nawaloka Metropolis Laboratories Private Limited, Sri Lanka)

Metropolis Histoxpert Digital Services Private Limited (w.e.f 26 November 2021)

Dr.Ganesan's Hitech Diagnostic Centre Private Limited (w.e.f 22 October 2021)

##### **Step down Subsidiary companies**

Metropolis Bramser Lab Services (Mtius) Limited

Metropolis Healthcare Ghana Limited

Metropolis Star Lab Kenya Limited

Metropolis Healthcare (Tanzania) Limited

Centralab Healthcare Services Private Limited (w.e.f 22 October 2021)

##### **Category III: Key Management Personnel (KMP)**

Dr. Sushil Kanubhai Shah, Chairman and Executive Director

Ms. Ameera Sushil Shah, Managing Director

Mr Vijender Singh, Chief Executive Officer

Mr Rakesh Agarwal, Chief Financial Officer

Ms. Poonam Tanwani, Company Secretary (up to 31 May 2021)

Mr. Milind Shripad Sarwate, Independent Director

Mr. Vivek Gambhir, Independent Director

Mr. Sanjay Bhatnagar, Independent Director

Ms. Anita Ramachandran, Independent Director (w.e.f 14 May 2020)

Ms. Simmi Singh Bisht, Company Secretary (w.e.f. 06 August 2021)

Mr. Hemant Sachdev, Non-Executive Director (w.e.f. 27 May 2021)

##### **Category IV: Relatives of KMP**

Dr. Duru Sushil Shah

Ms. Aparna Shah (Rajadhyaksha)

##### **Category V: Companies in which key management personnel or their relatives have significant influence (Other related parties)**

Metz Advisory LLP

Metropolis Health Products Retail Private Limited

Chogori Distribution Private Limited

Chogori India Retail Limited

Chogori Retail Private Limited

Sushil Shah Family Trust

Duru Shah Family Trust

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**B. The transactions with the related parties are as follows:**

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>1) Services rendered</b>		
Metropolis Star Lab Kenya Limited	531.30	316.42
Metropolis Healthcare Ghana Limited	267.12	163.06
Metropolis Bramser Lab Services (Mtius) Limited	1.28	15.33
Amin's Pathology Laboratory Private Limited	15.92	14.06
Ekopath Metropolis Lab Services Private Limited	96.78	90.66
Metropolis Healthcare (Mauritius) Limited	210.71	128.36
Metropolis Healthcare Lanka (Private) Limited	103.22	81.81
Metropolis Healthcare (Tanzania) Limited	44.95	21.45
Metropolis Histoexpert Digital Services Private Limited	2.65	12.98
<b>Relatives of KMP</b>		
Dr. Duru Sushil Shah	17.19	12.15
<b>2) Services received</b>		
<b>Subsidiaries</b>		
Ekopath Metropolis Lab Services private Limited	-	42.97
Dr. Ganesan's Hitech Diagnostic Centre Private Limited	1.99	-
<b>3) Purchase of Goods</b>		
Amin's Pathology Laboratory Private Limited	155.33244	187.58102
<b>4) Rent paid</b>		
<b>Key Management Personnel</b>		
Dr. Sushil Kanubhai Shah	118.35	80.87
<b>5) Compensation paid to Key Management Personnel</b>		
Short-term employee benefits <sup>^</sup>	1,011.58	805.97
Post employment benefit	43.76	19.57
Share-based payments expense	346.20	337.84
( <sup>^</sup> As gratuity expense is based on actuarial valuation, the same cannot be computed for individual employees. Hence not disclosed separately.)		
<b>6) Dividend paid</b>		
<b>Key Management Personnel</b>		
Dr Sushil Kanubhai Shah	199.79	298.02
Ameera Sushil Shah	14.55	14.55
Vijender Singh	5.23	-
Rakesh Kumar Agarwal	0.12	-
<b>Other related parties</b>		
Metz Advisory LLP	1,255.30	1,255.30
Sushil Shah Family Trust	102.22	-
Duru Shah Family Trust	102.22	-
<b>Relatives of KMP</b>		
Dr Duru Sushil Shah	356.14	492.37
<b>7) Director sitting fees and Commission</b>		
Mr. Mihir Jagdish Doshi	-	-
Mr. Milind Shripad Sarwate	16.15	27.25
Mr. Vivek Gambhir	10.15	12.50
Ms. Anita Ramachandran	10.00	8.00
Mr. Sanjay Bhatnagar	9.90	12.50

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>8) Professional Fees</b>		
<i>Relatives of KMP</i>		
Ms. Aparna Shah (Rajadhyaksha)	18.00	22.50
<b>9) Interest income</b>		
<i>Subsidiaries</i>		
Ekopath Metropolis Lab Services Private Limited	6.00	6.00
Metropolis Healthcare (Mauritius) Limited	55.07	54.83
Metropolis Healthcare Lanka (Private) Limited	1.10	1.10
<b>10) Investments made / (sold)</b>		
<i>Subsidiaries</i>		
Metropolis HistoXpert Digital Services Private Limited	0.33	-
Dr. Ganesan's Hitech Diagnostic Centre Private Limited	63,142.00	-

**C. The related party balances outstanding at year end are as follows:**

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>1) (a) Trade payables</b>		
<i>Subsidiaries</i>		
Amin's Pathology Laboratory Private Limited	27.76	220.47
Dr. Ganesan's Hitech Diagnostic Centre Private Limited	10.19	-
<i>Other related parties</i>		
Metropolis Health Products Retail Private Limited	1.87	1.87
<b>(b) Other Payable</b>		
Dr. Sushil Kanubhai Shah*	19.86	19.86
Aparna Rajadhyaksha	4.50	22.50
<b>(c) Director Sitting Fees</b>		
Mr. Vivek Gambhir	-	-
<b>2) Trade receivables</b>		
<i>Subsidiaries</i>		
Metropolis Star Lab Kenya Limited	329.72	165.57
Metropolis Bramser Lab Services (Mtius) Limited	17.06	14.34
Metropolis Healthcare Ghana Limited	650.05	708.61
Metropolis Healthcare (Mauritius) Limited	577.57	442.08
Ekopath Metropolis Lab Services Private Limited	34.60	66.12
Metropolis Healthcare Lanka (Private) Limited	385.59	274.03
Metropolis Healthcare (Tanzania) Limited	99.99	50.72
Metropolis HistoXpert Digital Services Private Limited	24.40	22.02
<i>Relatives of KMP</i>		
Dr. Duru Sushil Shah	4.73	4.14
<i>Other related parties</i>		
Metropolis Health Products Retail Private Limited	-	-

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>3) Loans and advances including interest accrued</b>		
<i><b>Subsidiaries</b></i>		
Ekopath Metropolis Lab Services Private Limited	60.45	60.93
Metropolis Healthcare (Mauritius) Limited	1,342.93	1,246.48
Metropolis Healthcare Lanka (Private) Limited	67.07	63.88
<i><b>Other related parties</b></i>		
Metropolis Health Products Retail Private Limited	44.00	44.02
<b>4) Other receivables</b>		
<i><b>Subsidiaries</b></i>		
Dr. Ganesan's Hitech Diagnostic Centre Private Limited	458.00	-
<b>5) Provision for dimution in value of investments</b>		
<i><b>Subsidiaries</b></i>		
Metropolis HistoXpert Digital Services Private Limited	195.00	195.00
<b>6) Provision for doubtful advances</b>		
<i><b>Other related parties</b></i>		
Metropolis Health Products Retail Private Limited	44.00	44.02

**The details of Loans as required by Schedule V of SEBI (LODR, 2015) are given in the table below:**

(₹ in Lakhs)

Name of the Company	31 March 2022		31 March 2021	
	Outstanding Balance	Max. amount outstanding during the year	Outstanding Balance	Max. amount outstanding during the year
<b>Subsidiaries &amp; Others</b>				
Metropolis Healthcare (Mauritius) Limited	935.01	935.01	905.70	1,069.55
Ekopath Metropolis Lab Services Private Limited	60.00	60.00	60.00	60.00
Metropolis Healthcare Lanka (Private) Limited	12.89	12.89	12.48	12.76

\* Other payable include payable to Dr. Sushil Shah on account of refund of additional filing fee received from SEBI.

**42. CONTINGENT LIABILITIES NOT PROVIDED FOR**

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Income tax liability disputed in appeals	-	139.90
Service tax liability disputed as per Show Cause Notice	-	-
Employee related dues	6.69	61.91
Due to others	231.40	394.33
Claims against the Company not acknowledged as debt :		
- Claims by suppliers/contractors /others	-	4.25
- Claims pending in Consumer Dispute Redressal Forum	111.76	183.06
Contingent consideration on acquisition of remaining stake of subsidiary	-	759.38
	<b>349.85</b>	<b>1,542.83</b>

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**43. COMMITMENTS**

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
<b>Capital commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for	860.69	996.39
<b>Other commitments:</b>		
(i) The Company has entered into reagent agreement for a period ranging from 3 to 6 years with some of its major raw material suppliers to purchase agreed value of raw materials.		
(ii) The value of purchase commitments for the remaining number of years are ₹ 24,900.23 Lakhs (31 March 2021 ₹ 35,617.90 Lakhs) of which annual commitment for next year is ₹ 6,592.92 Lakhs (31 March 2021 ₹ 7,297.45 Lakhs) as per the terms of these arrangements.		

**44. AUDITORS' REMUNERATION\***

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Audit fees	104.77	104.77
Certification Fees	9.49	9.72
Others (including reimbursement of out of pocket expenses)	15.93	14.71
<b>Total</b>	<b>130.19</b>	<b>129.20</b>

**45. (a) Disclosure as per Ind AS 115 - Revenue from contracts with customers**

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Contract asset- unbilled revenue	-	-
<b>Contract liabilities - Advance from Customers</b>		
Opening Balance	961.65	362.25
Movement during the year	637.47	599.40
<b>Closing Balance</b>	<b>1,599.12</b>	<b>961.65</b>

**(b) Reconciliation of revenue from contracts with customers**

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Revenue from contract with customer as per the contract price	1,13,337.55	97,125.55
Adjustments made to contract price on account of :-		
Discount / Rebates	1,625.96	1,013.03
<b>Revenue from contract with customer</b>	<b>1,11,711.59</b>	<b>96,112.52</b>
Other operating revenue	1.47	26.09
<b>Revenue from operations</b>	<b>1,11,713.06</b>	<b>96,138.61</b>

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### 46. SCHEME OF MERGER

The Board of Directors of the Company at its meeting held on 06 August July 2021 had approved the Composite Scheme of Arrangement (the 'Scheme') for merger of its eight wholly owned subsidiaries of the Company with the Company. Application seeking approval of the Scheme was subsequently filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on 22 September 2021. The standalone financial statements of the Company for the year ended 31 March 2022 were approved by the Board of Directors at its meeting held on 24 May 2022 without giving effect to the Scheme since the petition was pending before the NCLT.

On receipt of the certified copy of the order dated 03 June 2022 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date 1 April 2021, and upon filing the same with Registrar of Companies, Maharashtra on 11 July 2022 the Scheme has become effective.

Accordingly, the Company has given effect to the Scheme in the earlier approved standalone financial statements for the year ended 31 March 2022 from the Appointed date of 1 April 2021 by revising the standalone financial statements approved by the Board of Directors on 24 May 2022. These Revised standalone financial statements for the year ended 31 March 2022 have been prepared pursuant to the Scheme of merger of Transferor Company with the Company from the specified retrospective appointed date of 1 April 2021. Pursuant to the Scheme, all the assets, liabilities, reserves and surplus of the transferor company have been transferred to and vested in the Company with effect from the appointed date at their carrying values.

The revision to the standalone financial statements have been carried out solely for the impact of above referred merger and no additional adjustments have been carried out for any other events occurring after 24 May 2022 (being the date when the financial statements were first approved by the Board of Directors of the Company).

In line with the above, wherever the term "standalone financial statements" is mentioned, it should be referred to as "revised standalone financial statements".

Name of the transferor company	1. Bokil Golwilkar Metropolis Healthcare Private Limited, 2. Desai Metropolis Health Services Private Limited, 3. Dr. Patel Metropolis Healthcare Private Limited, 4. Lab One Metropolis Healthcare Services Private Limited, 5. Micron Metropolis Healthcare Private Limited, 6. R.V. Metropolis Diagnostic & Health Care Center Private Limited, 7. Raj Metropolis Healthcare Private Limited & 8. Sudharma Metropolis Health Services Private Limited
General nature of business	Healthcare Services
Appointed Date of the Scheme	01-Apr-21
Description and number of shares issued	Nil
% of Company's equity shares exchanged	Nil

Pursuant to the approved Scheme of Merger by Absorption, the Transferee Company has accounted for merger in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards

#### a) Accounting treatment

- i) The Transferee Company has recorded all the assets, liabilities and reserves of the Transferor Company vested in it pursuant to this Scheme, at their book values and in the same form as appearing in the books of the Transferor Company as on the Appointed Date, by applying the principles as set out in Appendix C of IND AS 103 'Business Combinations' and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.
- ii) The financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.
- iii) Any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company, if any, ipso facto, stand discharged and come to

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

end and the same is eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.

- iv) Investments in shares of the Transferor Company held by the Transferee Company have been adjusted against Share Capital of the Transferor Company and the difference, between cost of investment of the Transferor Company in the books of the Transferee Company has been adjusted against balance of reserves and surplus of the Transferee Company post-merger.

The identity of the reserves has been preserved and appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company

### b) The book value of assets and liabilities taken over in accordance with the terms of the scheme at the following summarised values:

Particulars	Amounts in Lakhs
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	1,480.96
Right of use assets	985.90
Goodwill	1,412.94
Other intangible assets	460.34
Other non current financial assets	277.65
Non-current tax assets (Net)	330.07
Deferred tax assets (Net)	440.67
Other non-current assets	88.50
<b>Total Non-current assets</b>	<b>5,477.03</b>
<b>Current assets</b>	
Inventories	492.83
Financial Assets	
i. Investments	1,112.34
ii. Trade receivables	1,556.54
iii. Cash and cash equivalents	1,587.02
iv. Bank balances other than cash and cash equivalents mentioned above	3,825.63
v. Loans	155.26
vi. Other current financial assets	189.52
Other current assets	108.36
<b>Total Current assets</b>	<b>9,027.50</b>
<b>TOTAL ASSETS (A)</b>	<b>14,504.53</b>
<b>Non-current liabilities</b>	
Financial liabilities	
i. Lease Liabilities	917.59
ii. Other non-current financial liabilities	361.26
Provisions	73.17
Deferred tax liabilities (net)	60.99
<b>Total non-current liabilities</b>	<b>1,413.01</b>

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

Particulars	Amounts in Lakhs
<b>Current liabilities</b>	
Financial liabilities	
i. Borrowings	4.08
ii. Lease Liabilities	352.01
iii. Trade payables	
- Total outstanding dues of micro and small enterprises	40.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,329.91
iv. Other current financial liabilities	971.23
Current tax liabilities (net)	208.54
Provisions	247.17
Other current liabilities	127.40
<b>Total current liabilities</b>	<b>3,281.28</b>
<b>TOTAL LIABILITIES</b>	<b>4,694.29</b>
<b>Total net identifiable assets acquired C = (A-B)</b>	<b>9,810.24</b>
<b>Cost of investment in the Merged Undertaking (D)</b>	<b>12,705.56</b>
<b>Net impact transferred to other equity (E)</b>	<b>(2,895.32)</b>

- a) Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the Company ₹ 2,895.32 lakhs has been debited to the other equity of the the Company.
- b) As the appointed date of the Scheme is 1 April 2021, the previous year's numbers for the year ended 31 March 2021 have been restated to include the financial information of the Transferor Company.
- c) The authorised share capital of the Transferee Company, automatically stands increased, by clubbing the authorised share capital of the Transferor Company which is 6,386 lakhs divided into 319,304,015 equity shares of ₹ 2 each.



NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

**47. EMPLOYEE BENEFITS**

**(a) Defined benefits plan**

The Company has gratuity as defined benefit retirement plan for its employees. Disclosures as required by Ind AS 19 are as under :

Particulars	(₹ in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>A. Amount recognised in the balance sheet</b>		
Present value of the obligation as at the end of the year	1,831.80	1,646.51
Fair value of plan assets as at the end of the year	(122.61)	(116.73)
<b>Net liability recognised in the balance sheet</b>	<b>1,709.19</b>	<b>1,529.78</b>
<b>Out of which,</b>		
Non-current portion (Refer note 21(A))	908.01	777.63
Current portion (Refer note 21(B))	801.20	752.16
<b>B. Change in projected benefit obligation</b>		
Projected benefit obligation at the beginning of the year	1,646.51	1,240.63
On Acquisition of Subsidiary		
Current service cost	170.09	142.10
Past service cost	23.27	-
Interest cost	80.75	72.14
Actuarial loss/(gain)	110.12	337.49
Benefits paid	(198.94)	(151.01)
Liability transferred in	-	7.43
Liability transferred out	-	(2.27)
<b>Projected benefit obligation at the end of the year</b>	<b>1,831.80</b>	<b>1,646.51</b>
<b>C. Change in plan assets</b>		
Fair value of plan assets at the beginning of the year	116.73	105.84
Interest income	6.70	6.50
Return on plan assets (excluding Interest income)	1.15	6.17
Benefits paid	(1.97)	(1.78)
<b>Fair value of plan assets at the end of the year</b>	<b>122.61</b>	<b>116.73</b>
<b>D. Amount recognised in the statement of profit and loss</b>		
Current service cost	170.09	142.10
Past service cost	23.27	-
Interest cost	74.05	65.65
<b>Expenses recognised in the statement of profit and loss (Refer note 30)</b>	<b>267.41</b>	<b>207.75</b>
<b>E. Amount recognised in other comprehensive income</b>		
Actuarial loss/(gain) on Defined benefit obligation	110.12	337.49
Return on plan assets (excluding Interest income)	(1.15)	(6.17)
	<b>108.97</b>	<b>331.32</b>
<b>F. Plan Assets include the following:</b>		
(i) Insurance funds		

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**G. Assumptions used**

	31 March 2022	31 March 2021
Discount rate	3.86% -6.26%	3.86% -6.26%
Long-term rate of compensation increase	6.00% p.a	6.00% p.a
Rate of return on plan assets	5.21%-6.43%	5.21%-6.43%
Attrition rate	13%-40%	13%-40%
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

**H. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(43.84)	46.97	(42.21)	45.39
Future salary growth (1% movement)	45.72	(43.49)	41.55	(36.67)
Employee Turnover (1% movement)	(5.47)	5.22	(7.02)	7.25

**I. Expected future cash flows**

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>31 March 2022</b>					
Defined benefit obligations (Gratuity)	519.82	365.72	701.96	555.69	2,143.19
<b>Total</b>	<b>519.82</b>	<b>365.72</b>	<b>701.96</b>	<b>555.69</b>	<b>2,143.19</b>
<b>Particulars</b>	<b>Less than a year</b>	<b>Between 1-2 years</b>	<b>Between 2-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>31 March 2021</b>					
Defined benefit obligations (Gratuity)	444.96	317.10	624.71	523.63	1,910.40
<b>Total</b>	<b>444.96</b>	<b>317.10</b>	<b>624.71</b>	<b>523.63</b>	<b>1,910.40</b>

**(b) Defined contribution plan**

The Company contributes towards statutory provident fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and towards employee state insurance as per the Employees' State Insurance Act, 1948. The amount of contribution to provident fund and Employee State Insurance Scheme recognised as expenses during the year 31 March 2022: ₹ 1,162.68 Lakhs (31 March 2021: ₹ 898.35 Lakhs).

**(c) Employee Stock Option Schemes**
**Description of share-based payment arrangements:**

As at 31 March 2022 and 31 March 2021 Company had following share-based payment arrangements:

**RSU 2020 -**

This plan may be called the Metropolis–Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) as approved by the Board of Directors of the Company at its meeting held on 6 February 2020 as per the recommendation of Nomination and Remuneration Committee and approved by members of the Company through postal ballot process on 6 April 2020.

This plan shall be deemed to have come into force on 6 April 2020 (Being the date of passing of special resolutions for approving the MHL-RSU Plan 2020 by the Shareholder of the Company through postal ballot process) or on such date as may be decided by the Nomination and Remuneration Committee ("Committee") of the Company.

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### MESOS 2015 -

The Company has instituted "Metropolis Employee Stock Option Plan 2015 "(MESOP 2015) for eligible employees. In terms of the said plan, options to the employees shall vest at the rate of 30% of Grant on 36 months from Grant Date, 35% of Grant on 48 months from Grant Date and 35% of Grant on 60 months from Grant Date. The vested options can be exercised on earlier of Listing of Company Shares on an Indian Stock Exchange or 60 month from the date of the grant. Further option can only be exercised during the exercise window specified by the Company. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Nomination and Remuneration Committee.

On 19 September 2017, consent was given by the Nomination and Remuneration Committee, where in vesting schedule was modified to grant options under Metropolis Employee Stock Options Scheme, 2015 (MESOS 2015). As per modified terms, option to

- Existing employees (person who is in continuous employment with the Company since 1 January, 2016 or prior thereto) shall vest at the rate of 50% of Grant on 1 January 2018, 25% of Grant on 1 January 2019 and 25% of Grant on 1 January 2020.

- New employees (person who is in continuous employment with the Company after 01 January 2016.) shall vest at the rate of 50% of Grant on completion of 2 years from date of joining, 25% of Grant on completion of 3 years from date of joining and 25% of Grant on completion of 4 years from date of joining.

- No additional options to be granted to stock options under MESOS 2015 as per the resolution dated 24 September 2018, passed by the Nomination & Remuneration Committee

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
RSU - Option granted to eligible employees on May 2020	2,70,000	For the Options to vest, the Grantee has to met the performance parameters & be in employment of the Metropolis Group on the date of the vesting.	The exercise period for RSU vested will be two years from date of vesting .
MESOS 2015 - Option granted to eligible employees on 25 April 2016	27,800	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.
MESOS 2015 - Option granted to eligible employees on 16 October 2017	1,85,550	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**Reconciliation of Outstanding share options**

The number and weighted-average exercise price of share options under the share share option plans are as follows:

**RSU 2020**

	31 March 2022		31 March 2021	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	2	2,37,000	2	-
Granted during the year	2	26,000	2	2,41,400
Exercised during the year	2	27,406	2	-
Lapsed/ forfeited /surrender/buyback	2	(8,500)	2	(4,400)
Outstanding at the end of the year	2	2,27,094	2	2,37,000
Exercisable at the end of the year	2	-	2	-

Summary of Shares/Option exercised during the period

Particular	Number of shares / Options	Amount
Securities Premium (Exercise price (2.00) less Face value per share (2.00))	27,406	0
General Reserve (Fair Value - Nil per Option)	-	0
Equity Shares (Face value ₹ 2 per share)	26,000	0.52

**MESOS 2015**

	31 March 2022		31 March 2021	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	705.77	32,900	705.77	5,60,315
Granted during the year	-	-	-	10,000
Granted due to bonus issue	-	-	-	-
Granted due to split of shares	-	-	-	-
Exercised during the year	705.77	27,900	705.77	4,86,247
Lapsed/ forfeited /surrendered	705.77	-	705.77	51,168
Outstanding at the end of the year	705.77	5,000	705.77	32,900

The options outstanding at 31 March 2022 have an exercise price of ₹ 705.77 (31 March 2021 have an exercise price of ₹ 705.77) and a weighted average remaining contractual life of 6 months to 2 years (31 March 2021: 6 months to 2 years).

The expense arising from MESOS 2015 scheme during the year is ₹ 24.61 Lakhs (31 March 2021 ₹ 80.96 Lakhs);

The expense arising from RSU 2020 scheme during the year is ₹ 661.11 Lakhs (31 March 2021 ₹ 697.77 Lakhs);

# Summary of Shares/Option exercised during the period

Particular	Number of shares / Options	Amount
Securities Premium (Exercise price (705.77) less Face value per share (2))	27,900	196.35
General Reserve (Fair Value - 142.8 per Option)	-	-
Equity Shares (Face value ₹ 2 per share)	27,900	0.56

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

### Measurement of Fair value

The fair value of employee share options has been measured using Black Scholes Option Pricing Model and is charged to standalone Statement of Profit and Loss. The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity settled share based payment plans are as follows:

Grant date	MESOS 2015		RSU 2020
	16 October 2017	25 April 2016	29 May 2020
Fair value at grant date	142.80	66.00	Year 1 - 1,280.47 Year 2 - 1,267.36 Year 3 - 1,254.82 Year 4 - 1,242.37
Share price at grant date	2,910.00	2,289.00	1321
Exercise price	3,670.00	3,670.00	2
Expected volatility (Weighted average volatility)	16.04%	16.70%	Year 1 - 46.31% Year 2 - 61.61% Year 3 - 63.76% Year 4 - 63.76%
Expected life (expected weighted average life)	1.64 years	4.05 years	Year 1 - 3 years Year 2 - 4 years Year 3 - 5 years Year 4 - 6 years
Expected dividends	3%	3%	0.01
Risk-free interest rates (Based on government bonds)	6.35%	7.42%	Year 1 - 4.56% Year 2 - 4.69% Year 3 - 5.42% Year 4 - 5.6%

- Expected volatility of the option is based on historical volatility, during a period equivalent to the option life
- Dividend yield of the options is based on recent dividend activity
- Risk-free interest rates are based on the government securities yield in effect at the time of the grant.

### (d) Compensatory absences

Accumulation of casual leave is not permitted, and un-availed casual leave will lapse at the end of the year.

## 48. SEGMENT REPORTING

### a. Basis for segmentation

The operations of the Company are limited to one segment viz. Pathology service. The services being provided under this segment are of similar nature and comprises of pathology and related healthcare services only.

The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on an aggregation of financial information for all entities in the Group (adjusted for intercompany eliminations, adjustments etc.) on a periodic basis.

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**
**49. CORPORATE SOCIAL RESPONSIBILITY (CSR)**
**Details of CSR expenditure:**

Particulars	31 March 2022	31 March 2021
i) Amount required to be spent by the Company during the year		
A) Construction/ acquisition of any asset	-	-
B) On other than (i) above	427.19	351.12
ii) Amount of expenditure incurred	365.00	361.33
iii) Shortfall at the end of the year	62.19	-
iv) Total of previous year shortfall	-	161.22
v) Reasons for shortfall	Due to ongoing projects	Accumulation of funds for donating the same to an NGO named "We Foundation" who will spend funds on the activities to combat the COVID-19 pandemic.
vi) Nature of CSR activities	Promoting healthcare, education and Covid 19 relief	
vii) Details of related party transaction	Nil	Nil

**50. DISCLOSURE UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013**

(a) All the loans given by the Company to its subsidiary companies are under section 293 of the Companies Act, 1956, accordingly, section 186 of the Companies Act, 2013 is not applicable to the Company.

**Investments :**

Details of investments made during the year are as under:

Particulars	31 March 2022	31 March 2021
Dr. Ganesan's Hitech Diagnostic Center Private Limited	63,142.00	-
Metropolis Histoxpert Digital Services Private Limited	0.33	-
<b>Total</b>	<b>63,142.33</b>	<b>82.33</b>

**(b) Deferred payment consideration**

During the earlier years, the Company has entered into a business purchase agreement to acquire Sanjeevani Pathology Laboratory located at Rajkot for an initial purchase consideration of ₹ 4,104.00 Lakhs, an amount of ₹ 2,300.00 Lakhs is to be paid by the Company to Dr. Kiritkumar Patel, owner of Sanjeevani Pathology Laboratory in 7 tranches starting from February 2017 to March 2021.

The deferred consideration of ₹ 2,300.00 Lakhs has been measured at fair value (₹ 2,100.96 Lakhs) on initial recognition and the difference of ₹ 199.04 Lakhs will be recognised as finance cost on EIR basis over the payment tenure; During year ended 31 March 2022 ₹ NIL Lakhs (31 March 2021 ₹ 7.76 Lakhs) charged to statement of profit and loss (refer note 33).

In case of investment in Dr. Patel Metropolis Healthcare Private Limited during year ended 31 March 2019, out of total consideration of ₹ 868.92 Lakhs, an amount of ₹ 100 Lakhs is to be paid by Company in 2 tranches (₹ 80 Lakhs to be paid on 14 September 2021 and remaining ₹ 20 Lakhs to be paid on 14 September 2023).

The deferred consideration of ₹ 100 Lakhs has been measured at fair value (₹ 80.40 Lakhs) on initial recognition and the difference of ₹ 19.60 Lakhs will be recognised as finance cost on EIR basis over the payment tenure; During year ended 31 March 2022 ₹ 3.32 Lakhs (31 March 2021 ₹ 6.11 Lakhs) charged to statement of profit and loss (refer note 33).

## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

During the year ended 31 March 2020, company made investment in Bokil Golwilkar Metropolis Healthcare Private Limited for a consideration of ₹ 192 Lakhs, of which an amount of ₹ 60 Lakhs is to be paid by Company in 2 tranches (₹ 40 Lakhs to be paid on 25 August 2019 and remaining ₹ 20 Lakhs to be paid on 25 February 2022)

The deferred consideration of ₹ 60 Lakhs has been measured at fair value (₹ 55.22 Lakhs) on initial recognition and the difference of ₹ 4.78 Lakhs will be recognise as finance cost on EIR basis over the payment tenure; During year ended 31 March 2022 ₹ 1.31 Lakhs (31 March 2021 ₹ 1.21 Lakhs) charged to statement of profit and loss (refer note 33).

During the 2019-20, Desai Metropolis health Services Private Limited a subsidiary of the Company has entered into a business purchase agreement to acquire Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab) located at Surat for an initial purchase consideration of ₹ 1,800.00 Lakhs. The amount of ₹ 1,800.00 Lakhs is to be paid by the Desai Metropolis health Services Private Limited to the owners of these laboratories in 3 tranches starting from September 2019 to September 2021.

### Summarised Details of Deferred Purchase Consideration

	31 March 2022		31 March 2021	
	Finance Cost	Closing Fair value	Finance Cost	Closing Fair value
Sanjeevani Pathology Laboratory	-	100.00	7.76	242.00
Dr. Patel Metropolis Healthcare Private	3.32	18.54	6.11	94.96
Bokil Golwilkar Metropolis Healthcare Private	1.31	-	1.21	58.93
Desai Metropolis health Services Private Limited - Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab)	25.10	113.92	32.24	457.84
<b>Total</b>	<b>29.73</b>	<b>232.46</b>	<b>47.32</b>	<b>853.73</b>

### 51. INVESTMENT AND RECEIVABLE FROM STAR METROPOLIS HEALTH SERVICES MIDDLE EAST LLC

As at 31 March 2022, the Company has an investment of ₹ 129.85 Lakhs (31 March 2021 ₹ 129.85 Lakhs) and receivable of ₹ 445.05 Lakhs (31 March 2021 ₹ 445.05 Lakhs) from Star Metropolis Health Services Middle East LLC ('Star Metropolis'). Since the information has not been forthcoming for many years, management has decided to discontinue to recognise the said entity as an associate from the current year and has filed an application to Reserve Bank of India (RBI) through Authorised Dealer Bank seeking permission to write off the above investment and receivable.

### 52. TRANSFER PRICING

The Company's management is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended 31 March 2022. Management continues to believe that its international transactions post 31 March 2022 and the specified domestic transactions are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

### 53. SHAREHOLDING IN THE SUBSIDIARY COMPANY :

Metropolis Healthcare Lanka Private Limited (Metropolis Lanka) has bought back 250,000 ordinary shares held by Nawaloka Hospitals PLC ("Nawaloka") in Metropolis Lanka pursuant to memorandum of understanding (MOU) dated 31 March 2017. As per the MOU, the buy-back consideration payable by Metropolis Lanka was adjusted against certain receivables payable by Nawaloka to Metropolis Lanka. As at 31 March 2020, Metropolis Lanka has not filed relevant forms with Registrar of the Company in respect of share transfer. Currently, the shareholding records in the books of Metropolis Lanka assumes that the buy-back has been effectuated as per the MOU and Metropolis Healthcare Limited is reflected as 100% owner of Metropolis Lanka.

### 54. DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)**

**55.** No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
  - i. Wilful defaulter
  - ii. Utilisation of borrowed funds & share premium
  - iii. Borrowings obtained on the basis of security of current assets
  - iv. Discrepancy in utilisation of borrowings
  - v. Current maturity of long term borrowings

**56.** Previous period figures have been re-grouped / re-classified to conform to below requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021:

- (a) Security deposits regrouped under 'Other financial assets' (Note 7 & 16) which were earlier part of 'Loans' (Note 6 & 15)

**57.** 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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**58. BUSINESS COMBINATION**

**Acquisition of Dr.Ganesan's Hitech Diagnostic Centre Private Limited**

On 22 October 2021, the Company has acquired 100% stake in Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech") and its wholly owned subsidiary Centralab Healthcare Services Private Limited ("Centralab") for a cash consideration of ₹ 63,142 Lakhs as per the terms and conditions of the Share Purchase Agreement including amendments thereof entered between the Company and Hitech. Post completion of the aforesaid acquisition, "Hitech" and "Centralab" has become wholly owned subsidiary and step down subsidiary respectively of the Company.

**Details of assets acquired:**

The fair values of identifiable assets acquired as at the date of acquisition were:

Particulars	₹ in lakhs
<b>Tangible Asset</b>	
Net Working Capital	(62.00)
Property, Plant and Equipment	1,296.00
Right-of-Use Assets	854.00
<b>Total Tangible Asset (A)</b>	<b>2,088.00</b>
<b>Identified Intangibles Assets</b>	
Hitech Brand	29,387.00
Non-compete agreement	3,229.00
<b>Total Intangibles Assets (B)</b>	<b>32,616.00</b>
<b>Total (C)=(A)+(B)</b>	<b>34,704.00</b>
<b>Purchase Consideration (D)</b>	<b>63,142.00</b>
Other Adjustments (E)	257.00
<b>Goodwill (E)=(D)-(C)-(E)</b>	<b>28,181.00</b>



## NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)

- Net Working Capital (trade receivables, inventory, security deposits, prepaid rent and other current assets) and current liabilities (trade payables, and other current liabilities) are realisable/ payable in short to medium term. Hence these have been considered at their respective book values in our analysis (i.e. book values considered as a proxy to their Fair Value).
- Other Adjustments include surplus assets, lease liabilities, debt-like items, deferred tax assets as per acquisition date consolidated balance sheet of Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech").

### 59. ACCOUNTING RATIOS

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.96	3.14	(37.39%)	Refer Note-1
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.31	-	-	-
Debt Service Coverage ratio (in times)	Earnings available for debt service = Net profit after taxes + Non-cash operating expenses	Total debt service = Interest & Lease Payments + Principal Repayments	5.47	8.87	(38.34%)	Refer Note-2
Return on Equity ratio (in %)	Net Profits after taxes – Preferred Dividend	Average Shareholder's Equity	0.25	0.31	(18.27%)	Refer Note-3
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	26.89	30.75	(12.57%)	-
Trade Receivable Turnover Ratio (in times)	Net credit sales	Average Trade Receivable	4.41	3.92	12.54%	-
Trade Payable Turnover Ratio (in times)	Net credit purchases	Average Trade Payables	2.86	2.59	10.27%	-
Net Capital Turnover Ratio (in times)	Net credit sales	Working capital	16.75	2.41	595.19%	Refer Note-4
Net Profit ratio (in %)	Net Profit	Net sales	17.21%	19.00%	(9.42%)	-
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed	26.81%	44.05%	(39.15%)	Refer Note-5
Return on Investment (in %)	Interest (Finance Income)	Investment	3.30%	5.40%	(38.97%)	-

#### Definitions:

- Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.
- Debt service = Interest & Lease Payments + Principal Repayments
- Average inventory = (Opening inventory balance + Closing inventory balance) / 2
- Net credit sales = Net credit sales consist of gross credit sales minus sales return
- Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
- Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return
- Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2
- Working capital = Current assets - Current liabilities.
- Earning before interest and taxes = Profit before exceptional items and tax + Finance costs - Other Income
- Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

**NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (Contd.)****Note:**

1. Due to reduction in current assets in Cash and cash equivalents, utilisation of cash and cash equivalents toward payments of acquisition of Hitech business.
2. Due to reduction in non cash expenses and repayment of loans taken for acquisition of Hitech business.
3. Variance is due to reduction in profit and increase in average equity.
4. Due to reduction in working capital in Cash and cash equivalents.
5. Due to increase in capital employed (due to borrowings for purchase of Hitech business) and reduction in EBIT.

**60. SUBSEQUENT EVENTS:**

The Board of Directors of the Dr. Ganesan's Hitech Diagnostic Centre Private Limited ('Hitech'), (a wholly-owned subsidiary of the Company), at the Extraordinary General Meeting held on 1 April 2022, approved the voluntary liquidation of the Hitech under Section 59 and other applicable provisions of the Insolvency and Bankruptcy Code, 2016 read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017. The liquidation process is started and yet to conclude, pursuant to liquidation, the entire business of Hitech will be distributed to the Company on a going concern basis.

As per our revised report of even date attached

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

Chartered Accountants

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

**Tarun Kinger**

Partner

Membership No: 105003

Place: Mumbai

Date: 18 July 2022

For and on behalf of the Board of Directors

**Metropolis Healthcare Limited**

L73100MH2000PLC192798

**Dr. Sushil Shah**

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

**Rakesh Agarwal**

Chief Financial Officer

Place : Mumbai

**Ameera Shah**

Managing Director

DIN: 00208095

Place : Mumbai

**Simmi Bisht**

Company Secretary

Membership No: 23360

Place : Mumbai

**Vijender Singh**

Chief Executive Officer

Place: Mumbai