INDEPENDENT AUDITOR'S REPORT

To the Members of

Metropolis Healthcare Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Metropolis Healthcare Limited (the "Company") which comprise the standalone balance sheet as at March 31, 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year ended March 31, 2023, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Impairment assessment of Goodwill and Indefinite life intangible asset

See Note 4 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
As disclosed in note 4, The Company's standalone financial statements includes Goodwill aggregating Rs. 41,542.55 lakhs pertaining to past acquisitions/ amalgamations. Further, the Company's Standalone Financial Statements also includes intangible assets with indefinite life ('Brand') aggregating Rs. 29,387.00 lakhs, which was acquired pursuant to acquisition of Dr. Ganesan's Hitech Diagnostic Centre Private Limited, which together represents 50% of total assets of the Company as at March 31, 2023. The Company tests goodwill and indefinite life intangible asset for impairment annually, or more frequently when there is an indication, the cash generating unit to which goodwill and indefinite life intangible asset has been allocated may be impaired The recoverable value of the CGU which is based on the value in use model, has been derived from discounted forecast cash flow model. We identified the assessment of impairment indicators in respect of goodwill and indefinite life intangible asset as a key audit matter considering: ● The significance of the value of goodwill and indefinite life intangible asset in the Standalone Balance Sheet.	Our audit procedures included: ● Understanding the process followed by the company in respect of the annual impairment analysis. ● Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the company process of performing impairment assessment, including controls over determination of discount rate and terminal growth rate. ● 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. ● Involving 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. ● Testing data used to develop the estimate for completeness and accuracy.

The key audit matter	How the matter was addressed in our audit
• The degree of judgement involved in determining the recoverable amount of goodwill and indefinite life intangible asset including: i. Valuation assumptions such as discount rate and terminal growth rate. ii. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above.	• Performing a sensitivity analysis to evaluate the impact of change in key assumption individually or collectively to the recoverable value. • Assessing the adequacy of disclosures in the standalone financial statements.

Impairment assessment of Investments in subsidiaries

See Note 5 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has investments in subsidiaries aggregating to Rs. 3,489.88 lakhs as at March 31, 2023. The Company records the investments at cost less any provision for impairment loss. 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 recognized in the statement of profit and loss. 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: • The significance of the value of these investments in the Standalone Balance Sheet • Performance and net worth of these entities • The degree of judgement involved in determining the recoverable amount of these investments including: i. Valuation assumptions such as discount rate and terminal growth rate. ii. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above.	Our audit procedures included: • Understanding the process followed by the Company in respect of the annual impairment analysis for investments in subsidiaries. • 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. • Assessed the indicators of impairment of investments in subsidiaries and compared the carrying values of the investment in subsidiaries with their respective net asset values and assessed the performance and their outlook. • Evaluated key assumptions in the Company's valuation models used to determine recoverable amount including assumptions of projected earning before interest, taxes and depreciation and amortisation, 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. • Testing data used to develop the estimate for completeness and accuracy. • Performing a sensitivity analysis to evaluate the impact of change in key assumptions individually or collectively to the recoverable value. • Assessing the adequacy of the Company's disclosures in the standalone financial statements.

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 financial statements and auditor's reports thereon.

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

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

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE 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 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

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, except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis during 11 August 2022 till 29 March 2023.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements - Refer Note 42 to the 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 has represented that, to the best of its knowledge and belief, as disclosed in the Note 57 to the 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 57 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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

In our opinion and according to the information and explanations given to us, the 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
Membership No.: 105003
ICAI UDIN:23105003BGYDKT9245

Place: Mumbai
Date: 16 May 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(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 every three years. In accordance with this programme, all the property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies 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 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:

Description of property	Gross carrying value (Rs. in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
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 Private Limited	No	30 September 2018	Merger adjudication pending
Building	1,266.01	Sanket Diagnostics Private Limited	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 the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or 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.

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

(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 guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments and granted interest bearing unsecured loans to other parties in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnerships.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to any other parties as below:

Particulars	**Loans (Rs. in lakhs)**
Aggregate amount during the year ended March 31, 2023 Others	6.66
Balance outstanding as at balance sheet date- March 31, 2023 Others	6.18

(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 and the terms and conditions of the grant of unsecured loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest bearing unsecured loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan 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, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any 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 is no loan 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. Further, the Company has not given any advances in the nature of loans to any party during the year.

(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 records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, considering the principles of materiality as outlined in the Standards on Auditing, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State Insurance, Income-Tax, cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in few cases of Goods and Service tax, Provident fund, Labour welfare fund, Employees State Insurance and Professional tax. The Company does not have any liability in respect of duty of customs.

(viii) (a) 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, no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income-Tax, cess or other statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
The Gujarat State Tax on Professions, Trades, Calling and Employment Act, 1976	Professions Tax	1.14	April 2022 to August 2022	31 May 2022 to 30 September 2022	Not paid	Not applicable

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Tax, interest and penalty	162.62	2020-21	Commissioner of Income Tax Appeals	
The Income Tax Act, 1961	Tax deducted at source	11.72	2007-08	Assessing Officer	
The Income Tax Act, 1961	Tax deducted at source	15.81	2008-09	Assessing Officer	
The Income Tax Act, 1961	Tax deducted at source	0.23	2009-10	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	10.61	2020-21	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	355.35	2016-17	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	2.97	2016-17	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	2.92	2016-17	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	22.62	2017-18	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	0.24	2018-19	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	0.08	2019-20	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	0.39	2018-19	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	1.31	2019-20	Assessing Officer	
The Income Tax Act, 1961	Tax, interest and penalty	0.89	2019-20	Assessing Officer	

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

(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.

(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 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 (as defined under the Act). The Company does not hold any investment in any joint ventures or associate companies (as defined under the Act) during the year ended March 31, 2023.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any joint venture or associate companies (as defined under the Act) during the year ended March 31, 2023.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) 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 outlined in 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 Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) 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.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, 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 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.

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

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) 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.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Sd/-
Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN:23105003BGYDKT9245

Place: Mumbai
Date: 16 May 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

OPINION

We have audited the internal financial controls with reference to financial statements of Metropolis Healthcare Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

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

Sd/-
Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN:23105003BGYDKT9245

Place: Mumbai
Date: 16 May 2023

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	12,583.79	12,825.94
Right-of-use assets	44(3)	17,181.57	10,819.62
Goodwill	4	41,542.55	41,542.55
Other intangible assets	4	35,269.00	35,285.32
Intangible assets under development	4	1,951.18	577.65
Financial assets			
i) Investments			
a) Investments in subsidiaries	5	3,489.88	3,489.88
b) Other investments	5	175.28	175.28
ii) Loans	6	88.52	72.88
iii) Other financial assets	7	1,608.65	3,423.04
Non-current tax assets (net)	8	2,963.77	2,308.55
Other non-current assets	9	31.67	15.21
Total Non-current assets		**1,16,885.86**	**1,10,535.92**
Current assets			
Inventories	10	4,127.24	4,700.75
Financial assets			
i) Investments	11	1,306.14	1,375.42
ii) Trade receivables	12	12,619.17	14,047.14
iii) Cash and cash equivalents	13(a)	2,408.68	2,749.12
iv) Bank balances other than (iii) above	13(b)	1,885.50	8,786.76
v) Loans	14	1,560.12	997.56
vi) Other financial assets	15	1,318.68	1,460.05
Other current assets	16	1,318.08	1,201.51
Total Current assets		**26,543.61**	**35,318.31**
TOTAL ASSETS		**1,43,429.47**	**1,45,854.23**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,024.21	1,023.44
Other equity	18	92,577.43	82,897.16
Total Equity		**93,601.64**	**83,920.60**
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Borrowings	19	3,077.42	15,867.72
ii) Lease liabilities	44(4)	12,411.40	8,170.33
iii) Other financial liabilities	20	54.95	89.43
Provisions	21	1,281.13	1,141.22
Deferred tax liabilities (net)	37(d)	7,675.96	7,972.83
Total Non-current liabilities		**24,500.86**	**33,241.53**
Current liabilities			
Financial liabilities			
i) Borrowings	22	5,151.81	9,986.81
ii) Lease liabilities	44(4)	6,154.04	3,687.77
iii) Trade payables			
total outstanding dues of micro enterprises and small enterprises	23	176.58	130.32
total outstanding dues of creditors other than micro enterprises and small enterprises	23	8,395.52	9,292.45
iv) Other financial liabilities	24	1,845.76	2,158.67
Other current liabilities	25	1,873.24	2,214.63
Provisions	26	949.34	878.97
Current tax liabilities (net)	27	780.68	342.48
Total Current liabilities		**25,326.97**	**28,692.10**
TOTAL EQUITY AND LIABILITIES		**1,43,429.47**	**1,45,854.23**

Basis of preparation, measurement and significant accounting policies 2

The accompanying notes 1 to 61 are an integral part of these standalone financial statements.

As per our report of even date attached

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

Sd/-
Tarun Kinger
Partner
Membership No: 105003

Place: Mumbai
Date: May 16, 2023

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Sd/-
Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Sd/-
Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I. Income			
Revenue from Operations	28	1,06,604.07	1,15,701.27
Other income	29	2,128.26	1,614.72
Total Income		**1,08,732.33**	**1,17,315.99**
II. Expenses			
Cost of materials consumed	30	23,554.58	26,160.01
Laboratory testing charges	31	574.87	594.47
Employee benefits expense	32	22,816.29	21,824.12
Finance costs	33	2,669.18	1,960.32
Depreciation and amortization expenses	34	8,495.60	6,026.46
Other expenses	35	32,727.29	35,186.11
Total Expenses		**90,837.81**	**91,751.49**
III. Profit before exceptional items and tax (I- II)		**17,894.52**	**25,564.50**
IV. Exceptional Items (net)	36	-	(1,590.15)
V. Profit before tax (III-IV)		17,894.52	27,154.65
Tax expense:	37		
1. Current tax		4,500.05	6,346.17
2. Deferred tax (income)/expense		(241.78)	982.09
3. Tax adjustments for earlier years		(258.48)	(127.02)
VI. Total tax expenses		**3,999.79**	**7,201.24**
VII. Profit for the year (V-VI)		**13,894.73**	**19,953.41**
VIII. Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurements of the defined benefit plans	48(a)	(218.79)	(127.44)
Income tax on above.	37	55.07	32.66
Other comprehensive income for the year, net of income tax		**(163.72)**	**(94.78)**
IX. Total comprehensive income for the year (VII-VIII)		**13,731.01**	**19,858.63**
Earnings per equity share	38		
Basic earnings per share (face value of Rs. 2 each)		**27.14**	**39.00**
Diluted earnings per share (face value of Rs. 2 each)		**27.05**	**38.81**

Basis of preparation, measurement and significant accounting policies 2

The accompanying notes 1 to 61 are an integral part of these standalone financial statements.

As per our report of even date attached

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

Sd/-
Tarun Kinger
Partner
Membership No: 105003

Place: Mumbai
Date: May 16, 2023

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Sd/-
Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Sd/-
Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Particulars		March 31, 2023	March 31, 2022
A	**Cash flow from operating activities**		
	Profit before tax	17,894.52	27,154.65
	Adjustments for :		
	Depreciation and amortization expenses	8,495.60	6,026.46
	Interest on lease liabilities	1,638.42	1,029.27
	Changes in fair value of current investments	(67.81)	(41.97)
	Loss on sale of property plant and equipments (net)	-	1.57
	Write-off of property, plant and equipment	13.50	3.40
	Reversal for bad and doubtful debts (net)	(238.34)	(378.32)
	Provision for doubtful advances (net)	-	1.90
	Share based payment expenses (Refer Note 32)	28.51	685.72
	Interest on deferred purchase consideration	9.92	29.73
	Unrealized foreign exchange (gain)/loss (net)	(107.83)	19.84
	Interest expenses on borrowings	1,020.84	901.32
	Sundary balance written back	-	(1.47)
	Interest income	(327.17)	(1,240.12)
	Reversal of provision no longer required	-	(1,600.00)
	Interest income on income tax refund	(54.40)	(3.82)
	Dividend income from related parties	(800.00)	-
	Operating profit before working capital changes	**27,505.76**	**32,588.16**
	Working capital adjustments:		
	Decrease / (Increase) in inventories	573.51	(685.47)
	Decrease / (Increase) in loans (current and non-current)	61.51	(37.84)
	(Increase) in other assets (current and non-current)	(136.18)	(39.16)
	Decrease in trade receivables	1,648.02	1,378.98
	Decrease / (Increase) in other financial assets	35.67	(943.69)
	(Decrease) / Increase in provisions	(8.51)	107.03
	(Decrease) in trade payables	(851.55)	(938.57)
	(Decrease) in other financial liabilities	(308.78)	(137.58)
	(Decrease) / Increase in other current liabilities	(341.39)	729.52
	Cash flows generated from operating activities	**28,178.06**	**32,021.38**
	Income taxes (paid)/refund (net)	(4,404.21)	(7,617.09)
	Net cash flows generated from operating activities (A)	**23,773.85**	**24,404.29**
B	**Cash flow from investing activities:**		
	Purchase of property, plant and equipment and capital work-in-progress	(4,854.92)	(3,694.22)
	Deferred purchase consideration paid	(45.00)	(651.00)
	Purchase of current investments	(25,525.00)	(501.29)
	Proceeds from sale of current investments	25,662.19	-
	Investments in subsidiaries	-	(63,142.00)
	Interest received	253.67	1,118.85
	Dividend received from related parties	800.00	-
	Net investment in deposits (having original maturity of more than three months)	8,381.37	(6,951.51)
	Net cash generated /(used) from/in investing activities (B)	**4,672.31**	**(73,821.17)**

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
C Cash flow from financing activities		
Proceed from borrowings	324.00	60,000.00
Repayment of borrowings	(17,886.68)	(34,145.48)
Principal payment of lease liabilities	(4,423.56)	(2,830.47)
Proceeds from exercise of options under MESOS 2015 and RSU 2020 scheme (Refer Note 48)	18.36	197.46
Payment of dividend	(4,096.85)	(4,093.77)
Interest paid on lease liabilities	(1,638.42)	(1,029.26)
Payment of upfront fees on borrowings	-	(106.08)
Interest paid on borrowings	(1,083.46)	(795.24)
Net cash flows (used) / generated in/ from financing activities (C)	**(28,786.61)**	**17,197.16**
Net Increase in cash and cash equivalents (A) + (B) + (C)	(340.44)	(32,219.72)
Cash and cash equivalents at the beginning of the year	2,749.12	34,768.18
Add : Cash acquired under business combination	-	200.66
Cash and cash equivalents at the end of the year (Refer note13(a))	**2,408.68**	**2,749.12**

1 The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind. AS - 7 "Statement of Cash Flows"

2 The figures in the brackets indicate outflow of cash and cash equivalents.

3 The movement of borrowing as per IND AS 7 is as follows :

Movement in borrowings (excluding interest accrued and not due)

Particulars	March 31, 2022	Cash flows	Non cash changes	March 31, 2023
Long term borrowings	15,867.72	(12,790.30)	-	3,077.42
Short term borrowings	9,986.81	(4,835.00)	-	5,151.81
Total borrowings	**25,854.53**	**(17,625.30)**	**-**	**8,229.23**

The accompanying notes 1 to 61 are an integral part of these standalone financial statements.

As per our report of even date attached

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

Sd/-
Tarun Kinger
Partner
Membership No: 105003

Place: Mumbai
Date: May 16, 2023

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Sd/-
Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Sd/-
Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai

STANDALONE STATEMENT OF CHANGES IN EQUITY ('SOCIE')

FOR THE YEAR ENDED MARCH 31, 2023

(a) Equity share capital (Refer note 17)

	Number of shares	Amount (in Lakhs)
Balance as at April 01, 2021	**5,11,16,813**	**1,022.34**
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 01, 2021	**5,11,16,813**	**1,022.34**
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis - Restrictive Stock Unit Plan, 2020 (Refer Note 48(c))	55,306	1.11
Balance as at March 31, 2022	**5,11,72,119**	**1,023.44**
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 01, 2022	**5,11,72,119**	**1,023.44**
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis - Restrictive Stock Unit Plan, 2020 (Refer Note 48(c))	38,545	0.77
Balance as at March 31, 2023	**5,12,10,664**	**1,024.21**

(b) Other Equity (Refer note 18)

(Rs. in Lakhs)

Particulars	Reserves & Surplus					Share application money pending allotement	Total other equity
	Securities premium	General reserve	Capital redemption reserve	Employee stock options reserve	Retained earnings		
Balance as at March 31, 2021	**15,615.97**	**2,029.63**	**0.33**	**852.26**	**46,960.36**	**-**	**65,458.55**
Restated balance as at April 01, 2021*	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	19,953.41	-	19,953.41
(Loss) on re-measurement of defined benefit plans (net of tax)	-	-	-	-	(94.78)	-	(94.78)
Transfer on business combination	135.59				656.09		791.68
Total comprehensive income	**135.59**	**-**	**-**	**-**	**20,514.72**	**-**	**20,650.31**
Interim dividend	-	-	-	-	(4,093.77)	-	(4,093.77)
Share options exercised under MESOS 2015 and RSU 2020 (Refer Note 48(c))	196.35	358.48	-	(358.48)	-	-	196.35
Share based payments (Refer Note 48(c))	-	-	-	685.72	-	-	685.72
Balance as at March 31, 2022	**15,947.91**	**2,388.11**	**0.33**	**1,179.50**	**63,381.31**	**-**	**82,897.16**

STANDALONE STATEMENT OF CHANGES IN EQUITY ('SOCIE') FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(Rs. in Lakhs)

Particulars	Reserves & Surplus					Share application money pending allotement	Total other equity
	Securities premium	General reserve	Capital redemption reserve	Employee stock options reserve	Retained earnings		
Restated balance as at April 01, 2022*	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	13,894.73	-	13,894.73
Profit on re-measurement of defined benefit plans (net of tax)	-	-	-	-	(163.72)	-	(163.72)
Total comprehensive income	-	-	-	-	**13,731.01**	-	**13,731.01**
Interim dividend	-	-	-	-	(4,096.85)	-	(4,096.85)
Share options exercised under MESOS 2015 and RSU 2020 (Refer Note 48(c))	17.59	473.27	-	(473.27)	-	-	17.59
Share based payments (Refer Note 48(c))	-	-	-	28.51	-	-	28.51
On Employee stock option	-			-	-	0.01	0.01
Balance as at March 31, 2023	**15,965.50**	**2,861.38**	**0.33**	**734.74**	**73,015.47**	**0.01**	**92,577.43**

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

Refer Note 18 for nature and purpose of reserves

The accompanying notes 1 to 61 are an integral part of these standalone financial statements.

As per our report of even date attached

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

Sd/-
Tarun Kinger
Partner
Membership No: 105003

Place: Mumbai
Date: May 16, 2023

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Sd/-
Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Sd/-
Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

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 April 15, 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 Balance Sheet of the Company as at March 31, 2023 and the standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the standalone Statement of Cash flows for the year ended March 31, 2023 and summary of significant accounting policies and other financial information (together referred as 'standalone Financial Statements') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The standalone financial statements of the Company for year ended March 31, 2023 were authorized for issue in accordance with a resolution of the Board of Directors on May 16, 2023.

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 realized 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 realized 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 realization 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.

c Basis of measurement

These standalone 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

d Key estimates and assumptions

In preparing these 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 (Note 2.2(f))

ii. Impairment of Goodwill and Brand (Note 2.2(d))

iii. Recognition of deferred tax assets; (Note 2.2(p))

iv. Measurement of defined benefit obligations; (Note 2.2 (n)(iii))

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized 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 categorized 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 recognizes 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 39)
- Share-based payment arrangements (Note 48 (c))
- Business combination (Note 59)

2.2 Significant accounting policies

a) Business combinations

Business combinations arising from transfers or interests in entities that are under the control of the shareholders that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised, The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the standalone financial statements of the Company in the same form in which they appeared in the standalone financial statements of the acquired entity. The difference, if any, between the net assets acquired and cancellation of share capital of the acquired entity is transferred to other equity.

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 recognize 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.

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 derecognized.

Subsequent costs are included in the assets carrying amount or recognized 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 derecognized 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:

Particulars	Management's estimate of useful life	Useful life as per Schedule II
Laboratory Equipment's (Plant & Equipment's) : (Electrical Machinery, X-ray & diagnostic equipment's namely Cat-stan, Ultrasound, ECG monitors.)	13 years	13 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.

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 acquizition.

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

Amortization:

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

estimated useful lives, and is recognized 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 years

Amortization 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 recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized 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 recognized 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 amortization, if no impairment loss had been recognized.

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 recognized 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 recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Trade receivables are initially recognized at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero. Subsequently, the Company applies lifetime expected credit loss model for measurement of trade receivables.

Subsequent measurement

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

- Amortized 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.

Amortized cost :

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

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 amortized 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 amortized cost or fair value through other comprehensive income are measured at fair value through profit or loss with all changes recognized in the standalone statement of profit and loss. Interest income (basis EIR method), from financial assets at fair value through profit or loss is recognized 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 recognized at fair value.

They are subsequently re-measured at their fair value, with changes in fair value being recognized 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 recognized in the Statement of Profit and Loss. Other net gains and losses are recognized 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 derecognized (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 recognized 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 amortized 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.

2 Financial liabilities

Initial recognition and measurement

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

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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 recognized in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

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

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

Derecognition

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

Derivative financial instruments

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through 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 recognized amounts and there is an intention to settle on a net basis, or to realize 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 if events or changes in circumstances indicate that the carrying amount may not be recoverable.

g) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized 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 capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed 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 any non-cash assets transferred or liabilities assumed, is recognized 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 acquizition, construction or production of a qualifying asset are capitalized 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 capitalization.

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 realizable value. Cost comprises the cost of purchase and all other costs attributed to bring the goods to that particular condition and location.Net realizable 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 recognized 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 recognized 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 recognized till the realization 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 recognized 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 recognized 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.

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 recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

m) Other income

Interest income

For all financial instruments measured at amortized 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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

Dividends are recognized 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 recognized as an expense in the Statement of Profit and Loss as the related service is provided.

A liability is recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 unrecognized 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 recognized immediately in other comprehensive income (OCI).

o) Leases

Ind-As 116:

As a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Contracts may contain both lease and non-lease components. The group 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 recognized in 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 group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying ng asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in 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.
- 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

NOTES TO STANDALONE FINANCIAL STATEMENTS
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right-of-use assets are initially recognized 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 recognized 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 recognized in statement of profit and loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income, in which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current Tax

Current tax comprises the 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 recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred Income tax is recognized 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 recognized 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 utilized. 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 utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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:

i) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Uncertain tax provision

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

q) Foreign currency transactions

Functional and Presentation currency

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

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 recognized in statement of profit or loss in the year in which they arise except exchange differences arising from the translation of items which are recognized in Other comprehensive income.

r) Dividend

The Company recognizes a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorized 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 standalone 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 standalone financial statements. Accordingly, information required to be presented under IND AS-108 has been given in the standalone financial statements.

u) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (MCA), vide notification dated March 31, 2023, has made the following amendments to Ind AS which are effective 1st April 2023:

a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.

b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.

c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

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 STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT

Changes in the carrying value of property, plant and equipment for the year ended March 31, 2023:

(Rs. in Lakhs)

Particulars	Freehold land	Buildings	Laboratory equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Leasehold improve-ment	Total
Gross Block (at cost) as at April 01, 2022	**1,035.40**	**5,724.32**	**8,616.17**	**2,239.53**	**322.21**	**2,084.35**	**1,553.95**	**964.11**	**22,540.05**
Additions during the year	-	299.40	584.90	117.28	4.01	331.53	538.88	225.38	2,101.38
Disposals during the year	-	(0.81)	(16.87)	(3.46)	-	(8.99)	(1.43)	(0.74)	(32.30)
Gross Block (at cost) as at March 31, 2023 (A)	**1,035.40**	**6,022.91**	**9,184.20**	**2,353.35**	**326.22**	**2,406.89**	**2,091.40**	**1,188.75**	**24,609.13**
Accumulated depreciation as at April 01, 2022	**-**	**1,365.77**	**4,194.01**	**1,126.68**	**218.35**	**1,311.52**	**803.65**	**694.14**	**9,714.11**
Depreciation charged during the year		236.26	980.06	206.53	26.46	368.32	394.77	117.62	2,330.03
Disposals during the year	-	-	(11.40)	-	-	(7.40)	-	-	(18.80)
Accumulated depreciation as at March 31, 2023 (B)	**-**	**1,602.03**	**5,162.67**	**1,333.21**	**244.81**	**1,672.44**	**1,198.42**	**811.76**	**12,025.34**
Net carrying amount as at March 31, 2023 (A) - (B)	**1,035.40**	**4,420.88**	**4,021.53**	**1,020.14**	**81.41**	**734.45**	**892.98**	**376.99**	**12,583.79**

Changes in the carrying value of property, plant and equipment for the year ended March 31, 2022:

(Rs. in Lakhs)

Particulars	Freehold land	Buildings	Laboratory equipment	Furniture & fixtures	Vehicles	Office equipment	Computers	Leasehold improve-ment	Total
Gross Block (at cost) as at April 01, 2021	**1,035.40**	**5,218.97**	**7,737.95**	**1,832.84**	**309.00**	**1,671.70**	**1,035.59**	**877.36**	**19,718.82**
Additions during the year	-	505.35	885.88	409.23	17.21	415.72	567.01	86.75	2,887.14
Disposals during the year	-	-	(7.66)	(2.54)	(4.00)	(3.07)	(48.65)	0.00	(65.92)
Gross Block (at cost) as at March 31, 2022 (A)	**1,035.40**	**5,724.32**	**8,616.17**	**2,239.53**	**322.21**	**2,084.35**	**1,553.95**	**964.11**	**22,540.05**
Accumulated depreciation as at April 01, 2021	**-**	**1,156.63**	**3,308.22**	**964.51**	**193.83**	**1,057.89**	**653.66**	**554.63**	**7,889.36**
Depreciation charged during the year	-	209.13	892.96	164.30	26.77	256.56	196.33	139.51	1,885.56
Disposals during the year	-	-	(7.17)	(2.13)	(2.24)	(2.93)	(46.34)	-	(60.81)
Accumulated depreciation as at March 31, 2022 (B)	**-**	**1,365.77**	**4,194.01**	**1,126.68**	**218.35**	**1,311.52**	**803.65**	**694.14**	**9,714.11**
Net carrying amount as at March 31, 2022 (A) - (B)	**1,035.40**	**4,358.56**	**4,422.16**	**1,112.86**	**103.86**	**772.83**	**750.30**	**269.97**	**12,825.94**

a The Company has not revalued any of its property, plant and equipment.

b 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.

c Title deeds of immovable properties not held in name of the Company

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 March 31, 2023

Description of item of property	Gross carrying value (INR in Lakhs)	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	January 30, 2009	Merger adjudication pending
Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/Director Relative of Director	August 16, 2000	Title clearance report is pending
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited	NA	January 30, 2009	Merger adjudication pending
Buildings	35.53	Dr. Golwilkar Laboratories Private Limited	NA	September 30, 2018	Merger adjudication pending
Buildings	1,266.01	Sanket Diagnostics Private Limited	NA	March 16, 2018	Adjudication is on hold
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	June 03, 2022	Merger adjudication pending

Details as on March 31, 2022

Description of item of property	Gross carrying value (INR in Lakhs)	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	January 30, 2009	Merger adjudication pending
Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/ Director Relative of Director	August 16, 2000	Title clearance report is pending
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	January 30, 2009	Merger adjudication pending
Buildings	35.53	Dr. Golwilkar Laboratories Private Limited	NA	September 30, 2018	Merger adjudication pending
Buildings	1,266.01	Sanket Diagnostics Private Limited	NA	March 16, 2018	Merger adjudication pending
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	June 03, 2022	Merger adjudication pending

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

4. OTHER INTANGIBLE ASSETS

Changes in the carrying value of intangibles for the period ended March 31, 2023:

(Rs. in Lakhs)

Particulars			Other Intangible Assets				
	Goodwill	Total	Computer Software	Brand	Customer Relationships	No compete fee	Total
Gross Block (at cost) as at April 01, 2022	**41,542.55**	**41,542.55**	**3,911.71**	**30,842.51**	**521.04**	**2,936.00**	**38,211.26**
Additions during the year		-	1,380.42	-	-	-	1,380.42
Disposals during the year	-	-	(0.12)	-	-		(0.12)
Gross Block (at cost) as at March 31, 2023 (A)	**41,542.55**	**41,542.55**	**5,292.01**	**30,842.51**	**521.04**	**2,936.00**	**39,591.56**
Accumulated depreciation as at April 01, 2022	**-**	**-**	**1,673.16**	**675.88**	**416.02**	**160.88**	**2,925.94**
Amortization recognized during the year	-	-	842.06	145.55	42.01	367.00	1,396.62
Accumulated amortization as at March 31, 2023 (B)	**-**	**-**	**2,515.22**	**821.43**	**458.03**	**527.88**	**4,322.56**
Net carrying amount as at March 31, 2023 (A) - (B)	**41,542.55**	**41,542.55**	**2,776.79**	**30,021.08**	**63.01**	**2,408.12**	**35,269.00**

Changes in the carrying value of intangibles for the year ended March 31, 2022:

(Rs. in Lakhs)

Particulars			Other Intangible Assets				
	Goodwill	Total	Computer Software	Brand	Customer Relationships	No compete fee	Total
Gross Block (at cost) as at April 01, 2021	**6,293.85**	**6,293.85**	**3,342.89**	**1,455.51**	**521.04**	**-**	**5,319.44**
Additions during the year	35,248.70	35,248.70	568.82	29,387.00	-	2,936.00	32,891.82
Disposals during the year	-	-	-	-	-		-
Gross Block (at cost) as at March 31, 2022 (A)	**41,542.55**	**41,542.55**	**3,911.71**	**30,842.51**	**521.04**	**2,936.00**	**38,211.26**
Accumulated depreciation as at April 01, 2021	**-**	**-**	**973.58**	**530.33**	**322.16**	**-**	**1,826.07**
Amortization recognized during the year	-	-	699.58	145.55	93.86	160.88	1,099.87
Accumulated amortization as at March 31, 2022 (B)	**-**	**-**	**1,673.16**	**675.88**	**416.02**	**160.88**	**2,925.94**
Net carrying amount as at March 31, 2022(A) - (B)	**41,542.55**	**41,542.55**	**2,238.55**	**30,166.63**	**105.02**	**2,775.12**	**35,285.32**

Intangible assets under development

(Rs. in Lakhs)

Particulars	Amount
Opening as at April 01, 2021	**-**
Addition during the year	1,142.54
Capitalized during the year	564.89
Closing amount as at March 31, 2022	**577.65**
Addition during the year	1,373.53
Capitalized during the year	-
Closing amount as at March 31, 2023	**1,951.18**

Intangible Asset under Development (IAUD)

Ageing Schedule as at March 31, 2023

(Rs. 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	1,373.53	577.65	-	-	1,951.18
Projects temporarily suspended	-	-	-	-	-
	1,373.53	**577.65**	**-**	**-**	**1,951.18**

(Rs. in Lakhs)

Particulars	Amount
Projects which have exceeded their original timeline	1,841.18

Details of capital-work-in progress whose completion is overdue as compared to its original plan as at March 31, 2023

(Rs. 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
CRM implementation Project	1,263.53	577.65	-	-	1,841.18
	1,263.53	**577.65**	**-**	**-**	**1,841.18**

Ageing Schedule as at March 31, 2023

(Rs. 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	-	-	-	-	-
	577.65	**-**	**-**	**-**	**577.65**

Note: There are no such Intangible Assets under Development, whose project costs which have exceeded their original plan cost as at March 31, 2023 and as at March 31, 2022.

Goodwill Impairment

Carrying amount of goodwill which is allocated to the pathology division as at March 31, 2023 is Rs. 41,542.55 Lakhs (March 31, 2022 is Rs. 41,542.55 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(Rs. in Lakhs)

Cash Generating Unit	As at March 31, 2023	As at March 31, 2022
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 45)	32.91	32.91
Desai Metropolis Health Services Private Limited (refer note 45)	1,173.90	1,173.90
Micron Metropolis Healthcare Private Limited (refer note 45)	58.59	58.59
Bokil Golwilkar Metropolis Healthcare Private Limited (refer note 45)	147.55	147.55
Dr. Ganesan's Hitech Diagnostic Centre Private Limited (refer note 59)	35,248.70	35,248.70
	41,542.55	**41,542.55**

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.

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 company'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 Amortization.

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Post tax risk adjusted discount rate	12.40%	12.50%
Terminal value growth rate	5.00%	5.00%
Budgeted EBITDA growth rate	1% - 45%	1% - 21%

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 March 31, 2023 and as at March 31, 2022 the estimated recoverable amount of the CGU exceeded its carrying amount and accordingly, no impairment was recognized.

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.

5. NON-CURRENT INVESTMENTS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Investment in subsidiaries		
Unquoted equity shares at cost		
Ekopath Metropolis Lab Services Private Limited 306,000 (March 31, 2022: 306,000) Equity shares of Face value of Rs. 10 each (Fully Paid up)	30.60	30.60
Metropolis Healthcare Mauritius Limited 225,100 (March 31, 2022: 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 (March 31, 2022: 100,000) Equity shares of Face value of Rs. 10 each (Fully Paid up)	10.00	10.00
Metropolis Healthcare Lanka Private. Limited, Sri Lanka 250,000 (March 31, 2022: 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 (March 31, 2022: 3,000,000) Equity shares of Face value of Rs. 10 each (Fully paid up)	0.94	0.94
Central Lab Health Care Services Private Limited 4,350,000 (March 31, 2022: 4,350,000) Equity shares of Face value of Rs. 10 each (Fully paid up)	3,309.81	3,309.81
Investment in subsidiaries	**3,489.88**	**3,489.88**
Less : Provision for impairment	**-**	-
Total Investment in subsidiaries	**3,489.88**	**3,489.88**
Investment in Others		
Unquoted equity shares at Fair Value through other comprehensive income		
Textiles Traders Co-op Bank Limited 1,100 (March 31, 2022: 1,100) equity shares of Face value Rs. 25 each (fully paid up)	0.28	0.28
Centre for Digestive and Kidney Disease (India) Private Limited 1,750,000 (March 31, 2022: 1,750,000) Equity shares of Face value of Rs. 10 each (Fully Paid up)	175.00	175.00
Unquoted equity shares at cost		
Star Metropolis Health Services Middle East LLC, Dubai 1,020 (March 31, 2022: 1,020) Equity shares of Face value of AED of 1,000 each (Fully Paid up) (Refer Note 52)	129.85	129.85
Total Other Investment	**305.13**	**305.13**
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai	(129.85)	(129.85)
Total Investment in Others	**175.28**	**175.28**
Total value of investments	**3,665.16**	**3,665.16**
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	**3,665.16**	**3,665.16**
Aggregate amount of impairment in value of investments	**(129.85)**	**(129.85)**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

6. LOANS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Loans to related parties (Refer Note 40)	88.52	72.88
Total	**88.52**	**72.88**

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

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Fixed Deposits with banks^ (with remaining maturity of more than 12 months)	95.71	1,621.88
Security deposits	1,372.90	1,612.38
Other advances	140.05	188.78
(Unsecured, considered doubtful)		
Security deposits	78.26	86.28
Other advances	79.39	-
Less : Allowance for credit impairment	(157.66)	(86.28)
Total	**1,608.65**	**3,423.04**

^ Includes Rs. 94.80 Lakhs (March 31, 2022 Rs. 1,167.91 Lakhs) of fixed deposits pledged against bank guarantee

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Opening balance	**86.28**	**86.28**
Change in allowance for credit impairment during the year	71.38	-
Written off during the year	-	-
Closing balance	**157.66**	**86.28**

8. NON-CURRENT TAX ASSETS (NET)

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Advance taxes (net of provision for taxes Rs. 17,225.02 Lakhs (March 31, 2022 Rs. 15,951.84 Lakhs)	2,963.77	2,308.55
Total	**2,963.77**	**2,308.55**

9. OTHER NON-CURRENT ASSETS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered Good)		
Capital advance	6.30	9.45
Prepaid expenses	25.37	5.76
	31.67	**15.21**
(Unsecured, considered doubtful)		
Capital advance		
- credit impaired	56.02	34.86
	56.02	**34.86**
Less : Allowance for credit impairment	(56.02)	(34.86)
Total	**31.67**	**15.21**
The movement in allowance for credit impairment is as follows:		
Opening balance	**34.86**	**34.86**
Change in allowance for credit impairment during the year	21.16	-
Written off during the year	-	-
Closing balance	**56.02**	**34.86**

10. INVENTORIES

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(valued at lower of cost and net realizable value)		
Raw materials (Reagents, chemicals, diagnostic kits, medicines, consumables, etc)	4,127.24	4,700.75
Total	**4,127.24**	4,700.75

11. CURRENT INVESTMENTS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(Quoted, at Fair Value Through Profit and Loss)		
Investments in mutual funds		
Aditya Birla Sun Life Overnight fund growth - Regular Plan - 108,141.59 (March 31, 2022 - 22,182.086) Units of Face Value Rs.1000 each	1,304.40	253.96
Aditya Birla Sun Life Liquid fund growth - Regular Plan - 14.945 (March 31, 2022 - 14.945) Units of Face Value Rs.100 each	0.05	0.05
HDFC Overnight fund - Regular Plan - Growth - 44.431 (March 31, 2022 - 8,097.110) Units of Face Value Rs.1000 each	1.49	253.93
HDFC Liquid fund - Regular Plan - Growth - 1.225 (March 31, 2022 - 1.225) Units of Face Value Rs.1000 each	0.05	0.05
HDFC Overnight fund - Direct Plan - Growth Option - NIL (March 31, 2022 - 44.431) Units of Face Value Rs.100 each	-	1.40
ICICI Liquid fund - Regular Plan - Growth - 16.243 (March 31, 2022 - 16.243) Units of Face Value Rs.100 each	0.05	0.05
SBI Overnight fund - Regular Plan - Growth - 1.484 (March 31, 2022 - 1.484) Units of Face Value Rs.1000 each	0.05	0.05

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

	As at March 31, 2023	As at March 31, 2022
SBI Liquid fund - Regular Plan - Growth - 1.537 (March 31, 2022 - 1.537) Units of Face Value Rs.1000 each	0.05	0.05
Birla Sun Life Cash Plus Growth - Nil (March 31, 2022 - 7,473.38) Units of Face Value Rs.100 each	-	25.44
Birla Sunlife Life Income Plus (Growth) - Nil (March 31, 2022 - 192,079) Units of Rs. 100 each	-	197.74
DSP BlackRock liquidity Fund- Nil (March 31, 2022 - 12,999.25) Units of Rs.100 each	-	381.54
HDFC Money Market Fund - Growth - Nil (March 31, 2022 - 318.96) Units of Rs.1000 each	-	14.64
IDFC Super Saver Income Fund - Investment Plan - Growth - Nil (March 31, 2022 - 247,116) Units of Rs.100 each	-	94.10
Kotak Bond Plan A (Growth) - Nil (March 31, 2022 - 242,270) Units of Rs.100 each	-	152.41
	1,306.14	**1,375.42**
Unquoted at Fair Value through Other Comprehensive Income		
Investments in Commercial Papers		
Infrastructure Leasing & Financial Services Limited 100 (March 31, 2022 - 100) Units of Face Value Rs. 500,000 each	480.68	480.68
	480.68	480.68
Less : Provision for impairment	(480.68)	(480.68)
	-	-
Total	**1,306.14**	**1,375.42**
The movement in allowance for credit impairment is as follows:		
Opening balance	480.68	480.68
Change in allowance for credit impairment during the year	-	-
Written off during the year	-	-
Closing balance	480.68	480.68
The aggregate amount and market value of quoted and unquoted investments are as follows:		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	**1,786.82**	**1,856.10**
Aggregate amount of impairment in value of investments	**480.68**	**480.68**

12. TRADE RECEIVABLES

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured*	13,623.28	14,842.37
Less: Allowance for expected credit loss	(1,004.11)	(795.23)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	806.67	1,353.50
Less: Allowance for credit impairment	(806.67)	(1,353.50)
Total	**12,619.17**	**14,047.14**

* Includes amount receivable from related parties - Refer Note 40.

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:

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Opening balance	**2,148.73**	**4,847.16**
Change in allowance for expected credit loss and credit impairment during the year	(238.34)	27.96
Written off during the year	(99.61)	(2,726.39)
Closing balance	**1,810.78**	**2,148.73**

Trade receivables Ageing Schedule

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3,866.25	5,750.37	1,148.32	1,584.84	829.01	444.49	13,623.28
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	12.21	-	-	-	50.22	744.24	806.67
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total (A)	**3,878.46**	**5,750.37**	**1,148.32**	**1,584.84**	**879.23**	**1,188.73**	**14,429.95**
Allowance for expected credit loss	-	-	-	-	-	-	1,004.11
Allowance for credit impairment	-	-	-	-	-	-	806.67
Total (B)	-	-	-	-	-	-	**1,810.78**
Total [(A)-(B)]	**3,878.46**	**5,750.37**	**1,148.32**	**1,584.84**	**879.23**	**1,188.73**	**12,619.17**

As at March 31, 2022

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3,314.00	7,923.13	1,698.78	1,433.18	390.68	82.60	14,842.37
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	-	-	-	-	-	-	-
Total (A)	**3,341.81**	**8,092.60**	**1,889.09**	**1,629.18**	**390.93**	**852.26**	**16,195.87**
Allowance for expected credit loss	-	-	-	-	-	-	795.23
Allowance for credit impairment	-	-	-	-	-	-	1,353.50
Total (B)	-	-	-	-	-	-	**2,148.73**
Total [(A)-(B)]	**3,341.81**	**8,092.60**	**1,889.09**	**1,629.18**	**390.93**	**852.26**	**14,047.14**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

13.

(a) Cash and cash equivalents

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Cash on hand	118.16	157.12
Balances with banks		
- in current accounts	1,787.53	2,150.21
- in EEFC account	2.99	38.33
- in fixed deposits accounts with original maturity of less than 3 months	500.00	403.46
Total	**2,408.68**	**2,749.12**

(b) Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Investment in Term deposit with original maturity of more than 3 months but less than 12 months of reporting date *	1,837.94	8,686.25
Other bank balance (other than 13(a))	47.56	100.51
Total	**1,885.50**	**8,786.76**

* Includes Rs. 1218.61 Lakhs (March 31, 2022 Rs. 9.53 Lakhs) fixed deposits pledged against bank guarantee.

14. LOANS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Loans to related parties (Refer Note 40)	1,515.16	940.94
Advances to related parties (Refer Note 40)	44.96	56.39
Other advances	-	0.23
	1,560.12	**997.56**
(Unsecured, considered doubtful)		
Advances to related parties (Refer Note 40)	44.00	44.02
Other advances	-	44.89
	44.00	**88.91**
Less : Allowance for credit impairment	(44.00)	(88.91)
Total	**1,560.12**	**997.56**
The movement in allowance for bad and doubtful advances is as follows:		
Opening balance	**88.91**	**88.91**
Change in allowance for credit impairment during the year	(44.91)	-
Written off during the year	-	-
Closing balance	**44.00**	**88.91**

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.

15. OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Other receivables *	415.41	459.81
Security deposits	903.27	490.86
Interest accrued but not due		
- From related parties	-	414.05
- From bank deposits	-	95.33
Total	**1,318.68**	**1,460.05**

* Other receivables includes amount receivable from related party (Refer Note 40).

16. OTHER CURRENT ASSETS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Prepaid Expenses	384.92	284.16
Advance to employees	64.14	157.82
Advance to Suppliers	518.40	349.43
Other advances (Retainership fees, etc)	350.62	410.10
	1,318.08	**1,201.51**
(Unsecured, considered doubtful)		
Advance to employees	3.90	45.96
Advance to Suppliers	40.13	49.75
Other advances	-	243.74
	44.03	**339.44**
Less : Allowance for credit impairment	(44.03)	(339.44)
Total	**1,318.08**	**1,201.51**
The movement in allowance for credit impairment is as follows:		
Opening balance	**339.44**	**334.14**
Change in provision for credit impaired during the year	(295.41)	5.30
Written off during the year	-	-
Closing balance	**44.03**	**339.44**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

17. EQUITY SHARE CAPITAL

(a) Details of authorized, issued and subscribed share capital

	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
Authorized Capital				
Equity shares of the par value of Rs. 2 each (March 31, 2022 par value of Rs. 2 each)	31,93,04,015	6,386.08	31,93,04,015	6,386.08
Issued, Subscribed and fully Paid up				
Equity Shares of the par value Rs. 2/- each (March 31, 2022 par value of Rs. 2 each)	5,12,10,664	1,024.21	5,11,72,119	1,023.44
	5,12,10,664	**1,024.21**	**5,11,72,119**	**1,023.44**

(b) Reconciliation of number of shares at the beginning and at the end of the year

	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	**5,11,72,119**	**1,023.44**	**5,11,16,813**	**1,022.33**
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis - Restrictive Stock Unit Plan, 2020 (Refer Note 48(c))	38,545	0.77	55,306	1.11
Shares outstanding at the end of the year	**5,12,10,664**	**1,024.21**	**5,11,72,119**	**1,023.44**

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

Name of Shareholder	March 31, 2023		March 31, 2022	
	Number	Percentage	Number	Percentage
Dr. Sushil Kanubhai Shah #	38,75,245	7.57%	38,75,245	7.57%
UTI Flexi Cap Fund	35,80,371	6.99%	-	-
Metz Advisory LLP ##	1,56,91,216	30.64%	1,56,91,216	30.66%
Dr. Duru Sushil Shah	57,29,685	11.19%	57,29,685	11.20%

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.

(d) Details of shares held by promoters

As at March 31, 2023

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	25,97,325	(12,80,267)	13,17,058	2.57%	(49.29%)
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	36,83,760	12,80,266	49,64,026	9.69%	34.75%
Sushil Shah Family Trust	12,77,920	12,80,267	25,58,187	5.00%	100.18%
Duru Sushil Shah	20,45,925	(12,80,266)	7,65,659	1.50%	(62.58%)
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.64%	0.00%
Total	**2,54,77,991**	**-**	**2,54,77,991**	**49.75%**	**-**

As at March 31, 2022

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	24,47,325	1,50,000	25,97,325	5.08%	6.13%
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	12,77,920	24,05,840	36,83,760	7.20%	188.26%
Sushil Shah Family Trust	12,77,920	-	12,77,920	2.50%	0.00%
Duru Sushil Shah	48,76,765	(28,30,840)	20,45,925	4.00%	(58.05%)
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.66%	0.00%
Total	**2,57,52,991**	**(2,75,000)**	**2,54,77,991**	**49.80%**	**-**

(e) Terms/rights attached to equity shares

The Company has only one class of Equity shares having a par value of Rs.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.

(f) Dividends

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Declared during the year		
Interim dividend for FY 2022-23: Rs. 8 per equity share (FY 2021-22: Rs.8 per equity share)	4,096.85	4,093.77
	4,096.85	**4,093.77**

18. OTHER EQUITY

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium	15,965.50	15,947.91
Capital redemption reserve	0.33	0.33
General Reserve	2,861.38	2,388.11
Share application money pending allotment	0.01	-
Employee stock options reserve	734.74	1,179.50
Retained Earnings	73,015.47	63,381.31
Total	**92,577.43**	**82,897.16**
Securities Premium		
Balance at the beginning of the year	15,947.91	15,615.97
Share options exercised under MESOS 2007/2015 (Refer Note 48(c))	17.59	196.35
Tranferred on business combination	-	135.59
Balance at the end of the year	**15,965.50**	**15,947.91**
Capital redemption reserve		
Balance as at the beginning of the year	0.33	0.33
Balance as at the end of the year	**0.33**	**0.33**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
General Reserve		
Balance at the beginning and end of the year	2,388.11	2,029.63
Transfer from ESOP exercised during the year (Refer Note 48(c))	473.27	358.48
Balance at the end of the year	**2,861.38**	**2,388.11**
Share application money pending allotment		
Balance at the beginning of the year	-	-
Add: Addition during the year	0.01	
Balance at the end of the year	**0.01**	-
Employee stock options reserve		
Balance at the beginning of the year	1,179.50	852.26
Transfer to General Reserve on account of ESOP exercised during the year (Refer Note 48(c))	(473.27)	(358.48)
Share based payments (Refer Note 32)	28.51	685.72
Balance at the end of the year	**734.74**	**1,179.50**
Retained Earnings		
Balance at the beginning of the year	63,381.31	46,960.36
Add: Transferred from the statement of profit and loss	13,894.73	19,953.41
Add: Transferred on business combination	-	656.09
Less: Interim Dividend	(4,096.85)	(4,093.77)
Remeasurement of defined benefit plan (net of tax)	(163.72)	(94.78)
Balance at the end of the year	**73,015.47**	**63,381.31**
Other comprehensive income /(loss)		
Re-measurement gain/ (loss) on defined benefit plans (net of taxes)		
At the beginning of the year	(221.04)	(126.26)
Movement during the year	(163.72)	(94.78)
At the end of the year	**(384.76)**	**(221.04)**

Nature and purpose of Reserves

Securities Premium

The amount received in excess of face value of the equity shares is recognized 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 recognizes 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.

Share application money pending allotment

Share Application Money Pending Allotment represents application money received on account of Employees Stock Option Scheme.

Employee stock options reserve

The Company has established equity settled share based payment plan for certain categories of employees. Refer Note 48(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 recognize 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.

19. BORROWINGS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans from banks	2,861.42	15,867.72
Unsecured		
Loans from related parties	216.00	-
Total	**3,077.42**	**15,867.72**

a) Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private. Limited. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank.

b) Term loan from a bank amounting to Rs. 15,000 Lakhs was secured through first charge on the current assets, movable fixed assets and specific immovable properties. The loan has been prepaid during the year & there is no outstanding as on March 31, 2023.

c) Loan from related party amounting to Rs. 324 Lakhs is repayable in 36 equal monthly instalments with March 01, 2026 as maturity date with an interest rate as agreed with the related party.

d) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

20. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Deferred purchase consideration payable (Refer Note 51(b))	54.95	89.43
Total	**54.95**	**89.43**

21. PROVISIONS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
- Gratuity (Refer Note 48(a))	1,281.13	1,141.22
Total	**1,281.13**	**1,141.22**

22. BORROWINGS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans from banks	5,043.81	9,986.81
Unsecured		
Loans from related parties	108.00	-
Total	**5,151.81**	**9,986.81**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

a) Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private. Limited. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank.

b) Term loan from a bank amounting to Rs. 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 October 21, 2024 as maturity date with an interest rate as agreed with the bank. The loan has been prepaid during the year & there is no outstanding as on March 31, 2023.

c) Loan from related party amounting to Rs. 324 Lakhs is repayable in 36 equal monthly instalments with March 01, 2026 as maturity date with an interest rate as agreed with the related party.

d) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

23. TRADE PAYABLES

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer Note 47)	176.58	130.32
Total outstanding due of creditors other than micro and small enterprises*	8,395.52	9,292.45
Total	**8,572.10**	**9,422.77**

* Includes amount payable to related parties - Refer Note 40.

Ageing for trade payables from the due date of payment for each of the category as at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	175.92	0.16	0.04	0.46	176.58
Undisputed dues of creditors other than micro enterprises and small enterprises	7,913.71	151.99	213.35	116.47	8,395.52
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**8,089.63**	**152.15**	**213.39**	**116.93**	**8,572.10**

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

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
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	7,719.66	938.52	451.12	183.15	9,292.45
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**7,837.44**	**950.96**	**451.22**	**183.15**	**9,422.77**

24. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Employee related dues	963.52	1,157.20
Payable towards purchase of property, plant and equipment	535.95	539.48
Payable towards acquisition of business (Refer Note 51 (b))	142.43	143.03
Security deposits	87.10	82.04
Unpaid dividend	1.11	0.31
Others (unspent CSR liability, etc)	115.65	236.61
Total	**1,845.76**	**2,158.67**

25. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Statutory dues*	347.87	440.46
Advance from customers	1,398.48	1,643.49
Deferred Revenue	67.32	67.41
Other Payable**	59.57	63.27
Total	**1,873.24**	**2,214.63**

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

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

26. PROVISIONS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
- Gratuity (Refer Note 48 (a))	929.85	853.64
- Compensated Absences (Refer Note 48(d))	19.49	25.33
Total	**949.34**	**878.97**

27. CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Provision for taxation (net of advance tax - Rs.3,723.37 (March 31, 2022 Rs.6,096.74 Lakhs)	780.68	342.48
Total	**780.68**	**342.48**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

28. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Service Income (Refer Note 46(b))	1,06,604.07	1,15,699.80
India	1,04,926.30	1,14,158.96
Outside India	1,677.77	1,540.84
Other Operating revenue		
Sundry balances written back (net)	-	1.47
Total	**1,06,604.07**	**1,15,701.27**

29. OTHER INCOME

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Interest Income		
- from banks	160.51	977.73
- from related parties (Refer Note 40)	67.25	70.58
- on income tax refund	54.40	3.82
- on term loans	-	0.60
- others (Interest income on Deposits)	99.41	57.95
Dividend Income		
- from related parties (Refer Note 40)	800.00	-
Other Non-Operating Income		
- Provision for doubtful debts written back (net)	-	426.83
- Fair value gain on mutual funds measured at FVTPL	67.81	41.97
- Foreign exchange gain (net)	430.57	-
- Provision for impairment of non-current investments	-	0.62
- Sundry balances written back (net)	-	0.41
- Miscellaneous income	448.31	34.21
Total	**2,128.26**	**1,614.72**

30. COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Opening stock (Refer Note 10)	4,700.75	4,015.28
Add: Purchases	22,981.07	26,845.48
	27,681.82	**30,860.76**
Less: Closing stock (Refer Note 10)	4,127.24	4,700.75
Total	**23,554.58**	**26,160.01**

31. LABORATORY TESTING CHARGES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Laboratory testing charges	574.87	594.47
Total	**574.87**	**594.47**

32. EMPLOYEE BENEFITS EXPENSE

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Salaries, wages and bonus	20,180.71	18,597.75
Gratuity expenses (Refer Note 48(a))	331.02	288.15
Contribution to provident and other funds (Refer Note 48(b))	1,391.78	1,205.69
Share based payment to employees (Refer Note 48(c))*	28.51	685.72
Staff welfare expenses	884.27	1,046.81
Total	**22,816.29**	**21,824.12**

*During the year ended March 31, 2023, total expense of Rs. 28.51 Lakhs (March 31, 2022 Rs. 685.72 Lakhs) includes reversals due to lapsed options amounting to Rs. 712.05 Lakhs (March 31, 2022 Rs. 28.41 Lakhs).

33. FINANCE COSTS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Interest on borrowing	1,020.84	901.32
Interest on deferred purchase consideration measured at amortized cost (Refer Note 51(b))	9.92	29.73
Interest on lease liabilities (Refer Note 44)	1,638.42	1,029.27
Total	**2,669.18**	**1,960.32**

34. DEPRECIATION AND AMORTIZATION EXPENSES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment (Refer Note 3)	2,330.03	1,885.56
Amortization on intangible assets (Refer Note 4)	1,396.62	1,097.39
Depreciation on right-of-use asset (Refer Note 44)	4,768.95	3,043.51
Total	**8,495.60**	**6,026.46**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

35. OTHER EXPENSES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Accreditation expenses	166.15	234.89
Laboratory expenses	215.93	219.39
Electricity and water	1,349.82	1,284.31
Rent (Refer Note 44 (9))	9,013.55	10,277.74
Repairs and maintenance		
- Buildings	27.80	67.34
- Plant and equipment	1,738.05	1,706.28
- Others	233.77	313.65
Insurance	249.30	188.79
Rates and taxes	76.21	160.43
Payments to auditors (Refer Note 43)	143.93	150.14
Foreign exchange Loss (net)	-	19.84
Legal and professional	7,605.52	7,640.24
Travelling and conveyance	1,026.38	995.28
Printing and stationery	683.11	638.37
Provision for bad and doubtful debts (net)	(243.40)	48.51
Provision for doubtful advances (net)	-	1.90
Credit impaired trade receivables written off	5.06	-
Postage and courier	4,839.31	5,973.41
Communication	466.43	474.60
Advertisement and sales promotion expenses	2,202.62	2,302.22
Facility maintenance charges	1,324.15	1,349.48
Corporate social responsibility expenses (Refer Note 50)	513.83	445.67
Directors' sitting fee & commission (Refer Note 40)	78.86	47.94
Bank charges	460.16	493.49
Write-off of Property, Plant and Equipment	13.50	4.97
Miscellaneous expenses	537.25	147.23
Total	**32,727.29**	**35,186.11**

36. EXCEPTIONAL ITEMS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Provision on account of settlement of litigation with Dr. Golwilkar	-	9.85
Provision reversal on account of settlement of disputed trade receivables	-	(1,600.00)
Total	**-**	**(1,590.15)**

Notes:

1 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 Rs. 1,600 Lakhs towards all the claims. The Company has disclosed this under exceptional item in the year ended March 31, 2022.

2 The Company had filed Arbitration proceedings against Dr. Golwilkar Labs Private Limited. (Golwilkar) claiming an amount of Rs.759 Lakhs (along with interest thereon) lying in Escrow account. Golwilkars subsequently filed their Counter claim for an amount of Rs.143.10 Lakhs on the Company towards alleged non-payment of salary/ consultancy fees to them (along with interest thereon). On July 08, 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 March 31, 2022.

37. INCOME TAXES

(a) Tax expense recognized in Profit and Loss

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Current tax expense		
Current year	4,500.05	6,346.17
Tax adjustments for earlier year	(258.48)	(127.02)
Total (A)	**4,241.57**	**6,219.15**
Deferred tax expense		
Relating to (reversal) and addition of temporary differences	(241.78)	982.09
Total (B)	**(241.78)**	**982.09**
Total (A+B)	**3,999.79**	**7,201.24**

(b) Tax charge recognized in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	March 31, 2023		
	Pre tax	Tax benefit/ (expense)	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	(218.79)	55.07	(163.72)
	(218.79)	**55.07**	**(163.72)**

(Rs. in Lakhs)

Particulars	March 31, 2022		
	Pre tax	Tax benefit/ (expense)	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	(127.44)	32.66	(94.78)
	(127.44)	**32.66**	**(94.78)**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(c) Reconciliation of Effective Tax Rate

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Profit before tax	17,894.52	27,154.65
Statutory income tax rate	25.17%	25.17%
Expected income tax expense	4,503.69	6,834.28
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Expenses disallowed under Income tax Act, 1961	131.90	274.73
Dividend Income (Exempt Income)	(201.34)	-
Tax adjustments of earlier years	(258.48)	(127.02)
Others	(175.98)	219.25
Total income tax expense	**3,999.79**	**7,201.24**
Effective Tax Rate	22.35%	26.52%
Total tax expense as per statement of profit and loss	**3,999.79**	**7,201.24**

(d) Movement in deferred tax assets and liabilities

As at March 31, 2023

Particulars	Net balance April 01, 2022	Recognized in profit or loss	Recognized in OCI	Recognized in Retained earning	Net deferred tax asset/ (liabilities)	Deferred tax asset	Deferred tax (liabilities)
Deferred tax liabilities							
Property, plant and equipment, Other intangible assets and Goodwill	(9,820.41)	341.86	-	-	(9,478.55)	-	(9,478.55)
Deferred tax asset							
DTA Takenover on Liquidation	-	-			-		-
Current investments	87.68	33.30	-	-	120.98	120.98	-
Interest on Borrowings IND AS 109	-	(1.05)	-	-	(1.05)		(1.05)
ROU asset and Lease Liabilities	276.29	72.00	-	-	348.29	348.29	-
Provision for bad and doubtful debts	657.71	(126.04)	-	-	531.67	531.67	-
Employee Share based payments	214.51	-	-	-	214.51	214.51	-
Provision for employee benefits	562.35	(56.05)	55.07	-	561.37	561.37	-
Others	49.04	(22.22)	-	-	26.82	26.82	-
Tax assets (liabilities)	**(7,972.83)**	**241.80**	**55.07**	**-**	**(7,675.96)**	**1,803.64**	**(9,479.60)**
Net Tax Assets (Liabilities)	**(7,972.83)**	**241.80**	**55.07**	**-**	**(7,675.96)**	**1,803.64**	**(9,479.60)**

As at March 31, 2022

Particulars	Net balance April 01, 2021	Recognized in profit or loss	Recognized in OCI	On account of Business acquisition	Net deferred tax asset / (liabilities)	Deferred tax asset	Deferred tax (liabilities)
Deferred tax liabilities							
Property, plant and equipments and intangibles	(1,434.50)	(290.70)	-	(8,095.21)	(9,820.41)	-	(9,820.41)
Deferred tax asset							
Current investments	90.14	(2.46)	-	-	87.68	87.68	-
Interest on Borrowings IND AS 109	-	-	-	-	-	-	-
ROU asset and Lease Liabilities	211.00	65.29	-	-	276.29	276.29	-
Provision for bad and doubtful debts	1,361.38	(815.99)	-	112.32	657.71	657.71	-
Employee Share based payments	214.51	-	-	-	214.51	214.51	-
Provision for employee benefits	436.19	21.61	32.66	71.89	562.35	562.35	-
Others	(8.40)	40.16	-	17.28	49.04	49.04	-
Tax assets (liabilities)	**870.32**	**(982.09)**	**32.66**	**(7,893.72)**	**(7,972.83)**	**1,847.58**	**(9,820.41)**
Net Tax Assets (Liabilities)	**870.32**	**(982.09)**	**32.66**	**(7,893.72)**	**(7,972.83)**	**1,847.58**	**(9,820.41)**

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.

(e) Tax Assets and Liabilities

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Non current tax assets (net of tax provision)	2,963.77	2,308.55
Current tax liabilities (net of tax assets)	780.68	342.48

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

38. EARNINGS PER SHARE (EPS)

Basic EPS calculated by dividing the net 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.

(Rs. in Lakhs)

	Particulars	March 31, 2023	March 31, 2022
i.	**Profit attributable to equity holders (Rs. in Lakhs)**		
	Profit attributable to equity holders for basic and diluted EPS	**13,894.73**	**19,953.41**
ii.	**Weighted average number of shares for calculating basic EPS**	**5,11,96,399**	**5,11,56,132**
iii.	**Effect of dilution**		
	Share options	1,73,624	2,58,016
	Weighted average number of shares for calculating diluted EPS	**5,13,70,023**	**5,14,14,148**
iv.	**Basic earnings per share (Rs.)**	27.14	39.00
v.	**Diluted earnings per share (Rs.)**	27.05	38.81

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.

39. FINANCIAL INSTRUMENTS – FAIR VALUES

(A) 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.

(Rs. in Lakhs)

Particulars	As at March 31, 2023							
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobserv-able inputs	Total
Non Current Financial assets								
- Equity instruments (other than Subsidiaries, Joint ventures and Associates)**	-	-	-	-	-	-	-	-
Non-current loans	-	-	88.52	88.52	-	-	-	-
Other non current financial assets	-	-	1,608.65	1,608.65	-	-	-	-
Current Financial assets								
Investment in mutual funds	1,306.14	-	-	1,306.14	1,306.14	-	-	1,306.14
Trade receivables	-	-	12,619.17	12,619.17	-	-	-	-
Cash and cash equivalents	-	-	2,408.68	2,408.68	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	1,885.50	1,885.50	-	-	-	-
Current loans	-	-	1,560.12	1,560.12	-	-	-	-
Other current financial assets	-	-	1,318.68	1,318.68	-	-	-	-
	1,306.14	**-**	**21,489.32**	**22,795.46**	**1,306.14**	**-**	**-**	**1,306.14**
Non Current Financial liabilities								
Borrowings	-	-	3,077.42	3,077.42	-	-	-	-
Other non-current financial liabilities	-	-	54.95	54.95	-	-	-	-
Lease Liabilities	-	-	12,411.40	12,411.40	-	-	-	-
Current Financial liabilities								
Borrowings	-	-	5,151.81	5,151.81	-	-	-	-
Trade payables	-	-	8,572.10	8,572.10	-	-	-	-
Other current financial liabilities	-	-	1,845.76	1,845.76	-	-	-	-
Lease Liabilities	-	-	6,154.04	6,154.04	-	-	-	-
	-	**-**	**37,267.48**	**37,267.48**	**-**	**-**	**-**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(Rs. in Lakhs)

Particulars	As at March 31, 2022							
	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobserv-able inputs	Total
Non Current Financial assets								
- Equity instruments (other than Subsidiaries, Joint ventures and Associates)**	-	-	-	-	-	-	-	-
Non-current loans	-	-	72.88	72.88	-	-	-	-
Other non current financial assets	-	-	3,423.04	3,423.04	-	-	-	-
Current Financial assets								
Investment in mutual funds	1,375.42	-	-	1,375.42	1,375.42	-		1,375.42
Trade receivables	-	-	14,047.14	14,047.14	-	-	-	-
Cash and cash equivalents	-	-	2,749.12	2,749.12	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	8,786.76	8,786.76	-	-	-	-
Current loans	-	-	997.56	997.56	-	-	-	-
Other current financial assets	-	-	1,460.05	1,460.05	-	-	-	-
	1,375.42	**-**	**31,536.55**	**32,911.97**	**1,375.42**	**-**	**-**	**1,375.42**
Non Current Financial liabilities								
Borrowings	-	-	15,867.72	15,867.72	-	-	-	-
Other non-current financial liabilities	-	-	89.43	89.43	-	-	-	-
Lease Liabilities	-	-	8,170.33	8,170.33	-	-	-	-
Current Financial liabilities								
Borrowings	-	-	9,986.81	9,986.81	-	-	-	-
Trade payables	-	-	9,422.77	9,422.77	-	-	-	-
Other current financial liabilities	-	-	2,158.67	2,158.67	-	-	-	-
Lease Liabilities	-	-	3,687.77	3,687.77	-	-	-	-
	-	**-**	**49,383.50**	**49,383.50**	**-**	**-**	**-**	**-**

**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. Rs. 175.28 Lakhs (March 31, 2022 Rs.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.

(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 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 maximize 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 the 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

(C) 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

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 and other 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 no customer (March 31, 2022- NIL) which accounts for 10% or more of the total trade receivables at each reporting date.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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 bad and doubtful debts for the year ended March 31, 2023

(Rs. in Lakhs)

Particulars	Amount
Balance as at April 01, 2021	**4,847.16**
Deduction on account of w/off	(2,726.39)
Expected Credit Loss allowance	27.96
Balance as at March 31, 2022	**2,148.73**
Deduction on account of w/off	(99.61)
Expected Credit Loss allowance	(238.34)
Balance as at March 31, 2023	**1,810.78**

b. Cash and cash equivalents and Other bank balances

The Company held cash and cash equivalents and other bank deposits as at March 31, 2023 Rs. 4,271.73 Lakhs (March 31, 2022 Rs. 13,000.64 Lakhs). The cash and cash equivalents and other bank balances 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 March 31, 2023:

(Rs. in Lakhs)

Particulars	Amount
Balance as at April 01, 2021	**562.02**
Movement during the year	(14.42)
Advances w/off during the year	1.90
Balance as at March 31, 2022	**549.50**
Movement during the year	(247.79)
Advances w/off during the year	-
Balance as at March 31, 2023	**301.71**

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:

(Rs. in Lakhs)

As at March 31, 2023	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquizition of business	197.38	205.50	145.00	60.50	-	-
Lease Liabilities	18,565.44	22,534.43	6,154.04	10,308.72	3,891.72	2,179.95
Trade payables	8,572.10	8,572.10	8,572.10			
Other current financial liabilities	1,703.33	1,703.33	1,703.33			
	29,038.25	33,015.36	16,574.47	10,369.22	3,891.72	2,179.95
Total	**29,038.25**	**33,015.36**	**16,574.47**	**10,369.22**	**3,891.72**	**2,179.95**

(Rs. in Lakhs)

As at March 31, 2022	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquizition of business	232.46	234.75	143.02	91.73	-	-
Lease Liabilities	11,858.10	14,330.82	3,737.01	6,483.17	3,056.68	1,053.96
Trade payables	9,422.77	9,422.77	9,422.77	-	-	-
Other current financial liabilities	2,015.64	2,015.64	2,015.64	-	-	-
Total	**23,528.97**	**26,003.98**	**15,318.44**	**6,574.90**	**3,056.68**	**1,053.96**

The outflows disclosed in the above table represent the total contractual undiscounted cash flows and total interest payable on borrowings.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

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

The currency profile of financial assets and financial liabilities as at March 31, 2023 and as at March 31, 2022 are as below :

(Rs. in Lakhs)

March 31, 2023	USD	OMR	EUR	GBP	SGD
Financial assets (A)					
Trade and other receivables	2,759.09	-	-	-	-
Loans	1,026.59	-	-	-	-
Interest receivable	509.81	-	-	-	-
Advance given	139.22	-	-	0.04	28.04
Financial liabilities (B)					
Trade and other payables	31.82	-	-	-	-
Advance taken	1.09	-	-	-	-
Net exposure (A - B)	**4,401.80**	**-**	**-**	**0.04**	**28.04**

(Rs. in Lakhs)

March 31, 2022	USD	OMR	EUR	GBP	SGD
Financial assets (A)					
Trade and other receivables	2,372.16	-	-	-	-
Loans	947.90	-	-	-	-
Interest receivable	413.60	-	-	-	-
Advance given	81.18	-	0.31	0.45	30.58
Financial liabilities (B)					
Trade and other payables	3.41	-	-	0.38	-
Advance taken	1.00	-	-	-	-
Net exposure (A - B)	**3,810.43**	**-**	**0.31**	**0.06**	**30.58**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at March 31, 2023 and March 31, 2022 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.

	March 31, 2023		March 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
Effect in INR				
3% movement				
USD	**(132.05)**	**132.05**	(9.87)	9.87
OMR	**-**	**-**	-	-
EUR	**-**	**-**	(0.01)	0.01
GBP	**(0.00)**	**0.00**		
SGD	**(0.84)**	**0.84**	(0.92)	0.92
	(132.90)	**132.90**	(112.97)	112.97

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 because of fluctuations in the interest rates. 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 Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

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

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed-rate instruments		
Financial assets	7,119.64	14,800.62
Financial liabilities	(18,762.82)	(12,090.56)
	(11,643.18)	**2,710.06**
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(8,229.23)	(25,854.53)
	(8,229.23)	**(25,854.53)**
Total	**(19,872.41)**	**(23,144.47)**

Interest rate sensitivity - 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.

(Rs. in Lakhs)

INR	Profit or loss	
	100 bp increase	100 bp increase
For the year ended March 31, 2023		
Variable-rate instruments	(82.29)	82.29
Cash flow sensitivity (net)	**(82.29)**	**82.29**
For the year ended March 31, 2022		
Variable-rate instruments	(258.55)	258.55
Cash flow sensitivity (net)	**(258.55)**	**258.55**

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

(D) 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 maximize 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.

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 maximize shareholder value.

The Company's capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as interest-bearing borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

The net debt to equity ratio for the current year decreased from 0.17 to 0.04 as a result of repayment of borrowings.

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	3,077.42	15,867.72
Current Borrowings	5,151.81	9,986.81
Gross Debt	**8,229.23**	**25,854.53**
Less : Cash and cash equivalent	4,294.18	11,535.88
Adjusted net debt	**3,935.05**	**14,318.65**
Total equity	93,601.64	83,920.60
Adjusted equity	**93,601.64**	**83,920.60**
Adjusted net debt to adjusted equity ratio	0.04	0.17

40. Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Relationships –

Category I: Subsidiaries:

Ekopath Metropolis Lab Services Private Limited

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

Metropolis Histoxpert Digital Services Private Limited

Centralab Healthcare Services Private Limited

Metropolis Healthcare (Mauritius) Limited

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

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

Step down Subsidiary companies

Metropolis Bramser Lab Services (Mtius) Limited

Metropolis Healthcare Ghana Limited

Metropolis Star Lab Kenya Limited

Metropolis Healthcare (Tanzania) Limited

Metropolis Healthcare Uganda Limited

Category II: Key Management Personnel (KMP)

Dr. Sushil Kanubhai Shah, Chairman and Executive Director

Ms Ameera Sushil Shah, Managing Director

Mr Vijender Singh, Chief Executive Officer (up to August 17, 2022)

Mr Rakesh Agarwal, Chief Financial Officer

Mr Hemant Sachdev, Non-Executive Director

Ms Simmi Singh Bisht, Company Secretary (up to January 07, 2023)

Mr Milind Shripad Sarwate, Independent Director

Mr Vivek Gambhir, Independent Director

Mr Sanjay Bhatnagar, Independent Director

Ms Anita Ramachandran, Independent Director

Mr Surendran Chemmenkotil, Chief executive Officer (w.e.f January 02, 2023)

Category III: Relatives of KMP

Dr. Duru Sushil Shah

Ms Aparna Shah (Rajadhyaksha)

Category IV: 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 Retail Private Limited

Chogori Distribution Private Limited

Chogori India Retail Limited

Sushil Shah Family Trust

Duru Shah Family Trust

Centre for Digestive and Kidney Disease (India) Private Limited (upto August 06, 2019)

Metropolis foundation

** on account of voluntary liquidation, it got merged with Metropolis Heathcare Limited

B. The transactions with the related parties are as follows:

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
1) Services rendered		
Subsidiaries		
Metropolis Star Lab Kenya Limited	672.07	531.30
Metropolis Healthcare Ghana Limited	434.70	267.12
Metropolis Bramser Lab Services (Mtius) Limited	-	1.28
Amin's Pathology Laboratory Private Limited	6.23	15.92
Ekopath Metropolis Lab Services Private Limited	126.15	96.78
Metropolis Healthcare (Mauritius) Limited	309.85	210.71
Metropolis Healthcare Lanka (Private) Limited	77.03	103.22
Metropolis Healthcare (Tanzania) Limited	60.18	44.95
Metropolis Histoxpert Digital Services Private Limited	-	2.65
Metropolis Healthcare Uganda Limited	19.97	-
Centralab Healthcare Services Private Limited	56.67	-
Relatives of KMP		
Dr. Duru Sushil Shah	22.60	17.19
2) Services received		
Subsidiaries		
Amin's Pathology Laboratory Private Limited	536.75	-
3) Purchase of Goods		
Amin's Pathology Laboratory Private Limited	126.68	155.33
4) Rent paid		
Key Management Personnel		
Dr. Sushil Kanubhai Shah	118.35	118.35
5) Compensation paid to Key Management Personnel		
Short-term employee benefits^	989.49	1,011.58
Post employement benefit	42.75	43.76
Share-based payments expense	60.49	346.20
6) Dividend income		
Subsidiaries		
Centralab Healthcare Services Private Limited	800.00	-

(^As gratuity expense is based on acturial valuation, the same cannot be computed for individual employees. Hence not disclosed separately.)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	March 31, 2023	March 31, 2022
7) Dividend paid		
Key Management Personnel		
Dr Sushil Kanubhai Shah	207.79	199.79
Ameera Sushil Shah	14.55	14.55
Rakesh Kumar Agarwal	0.24	0.12
Vijender Singh	-	5.23
Other related parties		
Metz Advisory LLP	1,255.30	1,255.30
Duru Shah Family Trust	294.70	102.22
Sushil Shah Family Trust	102.23	102.22
Relatives of KMP		
Dr Duru Sushil Shah	163.67	*356.14*
8) Director sitting fees & commission		
Mr. Milind Shripad Sarwate	23.55	16.15
Mr. Vivek Gambhir	18.90	10.15
Ms. Anita Ramachandran	18.50	10.00
Mr. Sanjay Bhatnagar	14.65	9.90
9) Professional Fees		
Relatives of KMP		
Aparna Rajadhyaksha	18.00	18.00
10) Amount paid for CSR projects		
Other related parties		
Metropolis Foundation	215.56	-
11) Interest expenses		
Subsidiaries		
Centralab Healthcare Services Private Limited	2.12	-
12) Interest income		
Subsidiaries		
Ekopath Metropolis Lab Services Private Limited	6.00	6.00
Metropolis Healthcare (Mauritius) Limited	59.60	55.07
Metropolis Histoxpert Digital Services Private Limited	0.50	-
Metropolis Healthcare Lanka (Private) Limited	1.10	1.10
13) Investments made / (sold)		
Subsidiaries		
Centralab Healthcare Services Private Limited	-	2,517.00
Metropolis Histoxpert Digital Services Private Limited	-	0.33

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
1) (a) Trade payables		
Subsidiaries		
Amin's Pathology Laboratory Private Limited	336.81	27.76
Other related parties		
Metropolis Health Products Retail Private Limited	1.87	1.87

Particulars	March 31, 2023	March 31, 2022
(b) Other Payable		
Dr. Sushil Kanubhai Shah	19.86	19.86
Aparna Rajadhyaksha	22.50	4.50
2) Trade receivables		
Subsidiaries		
Metropolis Star Lab Kenya Limited	374.73	329.72
Metropolis Bramser Lab Services (Mtius) Limited	18.47	17.06
Metropolis Healthcare Ghana Limited	968.22	650.05
Metropolis Healthcare (Mauritius) Limited	381.51	577.57
Ekopath Metropolis Lab Services Private Limited	38.10	34.60
Metropolis Healthcare Lanka (Private) Limited	497.01	385.59
Metropolis Healthcare (Tanzania) Limited	137.83	99.99
Metropolis Healthcare Uganda Limited	19.97	-
Metropolis Histoxpert Digital Services Private Limited	24.40	24.40
Centralab Healthcare Services Private Limited	72.27	-
Relatives of KMP		
Dr. Duru Sushil Shah	3.66	4.73
3) Loans and advances given including interest accrued		
Subsidiaries		
Ekopath Metropolis Lab Services Private Limited	60.45	60.45
Metropolis Healthcare (Mauritius) Limited	1,515.16	1,342.93
Metropolis Histoxpert Digital Services Private Limited	6.22	-
Metropolis Healthcare Lanka (Private) Limited	73.76	67.07
Other related parties		
Metropolis Health Products Retail Private Limited	44.00	44.00
4) Loans and advances taken including interest payable		
Subsidiaries		
Centralab Healthcare Services Private Limited	326.12	-
5) Provision for doubtful advances		
Other related parties		
Metropolis Health Products Retail Private Limited	44.00	44.00

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

(Rs. in Lakhs)

Name of the Company	March 31, 2023		March 31, 2022	
	Outstanding Balance	Max. amount outstanding during the year	Outstanding Balance	Max. amount outstanding during the year
Subsidiaries & Others				
Metropolis Healthcare (Mauritius) Limited	1,012.63	1,012.63	935.01	935.01
Ekopath Metropolis Lab Services Private Limited	60.00	60.00	60.00	60.00
Metropolis Histoxpert Digital Services Private Limited	5.00	5.00	-	-
Metropolis Healthcare Lanka (Private) Limited	13.96	13.96	12.89	12.89

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

41. COMMITMENTS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account not provided for	280.06	860.69

Other commitments:

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.

The value of purchase commitments for the remaining number of years are Rs. 26,295.23 Lakhs (March 31, 2022 Rs. 24,900.23 Lakhs) of which annual commitment for next year is Rs. 6,871.92 Lakhs (March 31, 2022 Rs. 6,592.92 Lakhs) as per the terms of these arrangements.

42. CONTINGENT LIABILITIES NOT PROVIDED FOR

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Due to others*	-	231.40
Employee related dues	-	6.69
Claims against the Company not acknowledged as debt		
- Claims by suppliers/contractors /others	16.64	-
- Claims pending in Consumer Dispute Redressal Forum	123.44	111.76
Contingent consideration on acquisition of remaining stake of subsidiary	-	-
Total	**140.08**	**349.85**

*The Company has settles cases CP IB No. 4334 of 2019 & 4366 of 2019 in FY 2022-23.

43. AUDITORS' REMUNERATION

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Statutory Audit (Including Limited Review) fees	98.00	124.72
Certification Fees	9.49	9.49
Others (including reimbursement of out of pocket expenses)	36.44	15.93
Total	**143.93**	**150.14**

44. DISCLOSURE ON IND-AS 116 LEASES

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 recognize 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 Rs. 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 Profit & Loss Account under the heading "Depreciation and Amortization Expense" and "Finance costs" respectively under Note No 34 and 33

2 The incremental borrowing rate applied to lease liabilities for FY 2022-23 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 March 31, 2023:

(Rs. in Lakhs)

Particulars	Category of ROU					Total
	Office Space	Patient Service Center	Lab	HUB	Re-agent	
Balance as of April 01, 2021	**1,987.37**	**1,909.21**	**1,799.19**	**187.77**	**4,314.19**	**10,197.73**
Reclassification	(842.82)	-	-	-	842.82	-
Additions	597.54	523.17	1,014.69	-	1,530.00	3,665.40
Depreciation	(512.90)	(598.51)	(469.80)	(111.70)	(1,350.60)	(3,043.51)
Balance as of March 31, 2022	**1,229.19**	**1,833.87**	**2,344.08**	**76.07**	**5,336.41**	**10,819.62**
Additions	1,769.50	4,538.50	3,007.82	-	1,926.14	11,241.96
Deletion	-	-	(111.05)	-	-	(111.05)
Depreciation	(492.84)	(1,531.51)	(1,006.37)	(67.09)	(1,671.14)	(4,768.95)
Balance as of March 31, 2023	**2,505.84**	**4,840.85**	**4,234.48**	**8.98**	**5,591.41**	**17,181.57**

4 **The following is the break-up of current and non-current lease liabilities as of March 31, 2023:**

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Current Lease liabilities	6,154.04	3,687.77
Non-current lease liabilities	12,411.40	8,170.33
Total	**18,565.44**	**11,858.10**

5 **The following is the movement in lease liabilities for the year ended March 31, 2023**

(Rs. in Lakhs)

Particulars	Amount
Balance as of April 01, 2021	**11,100.60**
Additions	3,704.39
Finance cost accrued during the period	1,029.27
Payment of lease liabilities	(3,976.16)
Balance as of March 31, 2022	**11,858.10**
Additions	11,241.96
Deletion	(127.92)
Finance cost accrued during the period	1,638.42
Payment of lease liabilities	(6,045.13)
Balance as of March 31, 2023	**18,565.44**

6 The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2023 on an undiscounted basis:

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Less than one year	6,154.04	3,737.01
One to five years	14,200.44	9,596.07
More than 5 years	2,179.95	1,107.74
Total	**22,534.43**	**14,440.82**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

7 Impact of adoption of Ind AS 116 for the year ended March 31, 2023 is as follows:

(Rs. in Lakhs)

Particulars	**March 31, 2023**	**March 31, 2022**
Decrease in Other expenses by	6,045.13	3,976.16
Increase in Finance cost by	1,638.42	1,029.27
Increase in Depreciation by (excludes depreciation on reclassified assets)	4,768.95	3,043.51
Net Impact on Profit/(Loss)	**(362.24)**	**(96.62)**

8 The Company does not face a 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 Rs. 9,013.55 Lakhs (March 31, 2022 Rs. 10,277.74 Lakhs) for the year ended March 31, 2023.

10 The total cash outflow for leases for year ended March 31, 2023 is Rs. 6,045.13 Lakhs (March 31, 2022 Rs. 3,976.16 Lakhs)

45. 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 September 22, 2021.

On receipt of the certified copy of the order dated June 03, 2022 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date April 01, 2021, and upon filing the same with Registrar of Companies, Maharashtra on July 11, 2022 the Scheme has become effective. Accordingly, the Company has given effect to the Scheme from the appointed date of April 01, 2021 by revising the standalone financial statements for the year ended March 31, 2021 and March 31, 2022. 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.

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	April 01,2021
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 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.

v) 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 summarized values:

Particulars	Amounts in Lakhs
ASSETS	
Non-current assets	
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
Total Non-current assets	**5,477.03**
Current assets	
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
Total Current assets	**9,027.50**
TOTAL ASSETS (A)	**14,504.53**
Non-current liabilities	
Financial liabilities	
i. Lease Liabilities	917.59
ii. Other non-current financial liabilities	361.26
Provisions	73.17
Deferred tax liabilities (net)	60.99
Total non-current liabilities	**1,413.01**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Particulars	**Amounts in Lakhs**
Current liabilities	
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
Total current liabilities	**3,281.28**
TOTAL LIABILITIES (B)	**4,694.29**
Total net identifiable assets acquired C = (A-B)	**9,810.24**
Cost of investment in the Merged Undertaking (D)	**12,705.56**
Net impact transferred to other equity (E)	**(2,895.32)**

a) Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the Company Rs. 2,895.32 Lakhs has been debited to the other equity of the Company.

b) The authorized share capital of the Transferee Company, automatically stands increased, by clubbing the authorized share capital of the Transferor Company which is 6,386 Lakhs divided into 319,304,015 equity shares of Rs. 2 each.

46.

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

(Rs. in Lakhs)

Particulars	**March 31, 2023**	**March 31, 2022**
Contract asset- unbilled revenue	-	-
Contract liabilities (Advance from Customer)		
Opening balance	**1,643.49**	**961.65**
Movement during the Year	(245.01)	681.84
Closing balance	**1,398.48**	**1,643.49**

(b) Reconciliation of revenue from contracts with customers

(Rs. in Lakhs)

Particulars	**March 31, 2023**	**March 31, 2022**
Revenue from contract with customers as per contract price	1,07,901.00	1,17,325.76
Adjustments made to contract price on account of Discount/ Rebates	1,296.93	1,625.96
Revenue from contract with customers	**1,06,604.07**	**1,15,699.80**
Other Operating Revenue	-	1.47
Revenue from Operations	**1,06,604.07**	**1,15,701.27**

47. 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 March 31, 2023. 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.

(Rs. in Lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
a.	Principal amount remaining unpaid to any supplier as at the year end	176.58	130.32
Interest due thereon:			
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.	0.27	2.18
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	-	-

48. EMPLOYEE BENEFITS

(a) Defined benefits plan

The Company has gratuity as defined benefit retirement plan for its employees. Details of the same as at year end are as follows:

(Rs. in Lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
A.	**Amount recognized in the balance sheet**		
	Present value of the obligation as at the end of the year	2,331.72	1,358.40
	Fair value of plan assets as at the end of the year	(120.74)	(25.59)
	Net liability recognized in the balance sheet	**2,210.98**	**1,332.81**
	Out of which,		
	Non-current portion	1,281.13	1,277.87
	Current portion	929.85	903.35
B.	**Change in projected benefit obligation**		
	Projected benefit obligation at the beginning of the year	2,117.32	1,189.70
	Current service cost	223.30	126.99
	Past service cost	-	17.22
	Interest cost	108.62	50.56
	Actuarial loss	225.65	116.40
	Benefits paid	(343.17)	(142.47)
	Liability Transferred In/ Acquizitions	-	758.92
	Liability Transferred Out/ Divestments	-	-
	Projected benefit obligation at the end of the year	**2,331.72**	**2,117.32**

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

	Particulars	As at March 31, 2023	As at March 31, 2022
C.	**Change in plan assets**		
	Fair value of plan assets at the beginning of the year	122.61	24.10
	Interest income	0.89	1.02
	Assets Transferred In/Acquizitions	-	97.02
	Return on Plan Assets, Excluding Interest Income	6.76	0.47
	Benefits paid	(9.52)	-
	Fair value of plan assets at the end of the year	**120.74**	**122.61**
D.	**Amount recognized in the statement of profit and loss**		
	Current service cost	223.30	144.21
	Interest cost	107.73	49.54
	Expenses recognized in the statement of profit and loss	**331.03**	**193.75**
E.	**Amount recognized in other comprehensive income**		
	Actuarial (gain)/loss on Defined benefit obligation	**225.65**	**116.40**
	Due to Change in Demographic Assumptions	-	0.05
	Due to Change in Financial Assumptions	(99.65)	(58.31)
	Due to Experience	325.20	174.67
	Actuarial gain/loss on Plan assets	**(6.76)**	**(0.47)**
	Total	**218.89**	**115.93**
F.	**Plan Assets include the following:**		
	1. Insurance funds		
G.	**Assumptions used**		
	Discount rate	7.20%	5.15%
	Long-term rate of compensation increase	5.00% p.a.	5.00% p.a.
	Rate of return on plan assets	7.20%	5.15%
	Attrition rate	31.00% p.a. for all service groups	31.00% p.a. for all service groups
	Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

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.

(Rs. in Lakhs)

Name of the Company	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(44.59)	47.15	(54.58)	58.71
Future salary growth (1% movement)	47.13	(45.50)	57.33	(54.35)
Employee Turnover (1% movement)	(3.25)	3.12	(5.65)	5.36

I. Expected future cash flows

(Rs. in Lakhs)

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligations (Gratuity)	732.26	523.16	944.10	550.24	2,749.75
Total	**732.26**	**523.16**	**944.10**	**550.24**	**2,749.75**

(Rs. in Lakhs)

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022					
Defined benefit obligations (Gratuity)	572.26	408.91	805.35	742.08	2,528.60
Total	**572.26**	**408.91**	**805.35**	**742.08**	**2,528.60**

(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 recognized as expenses during the year is Rs. 1,391.78 Lakhs (March 31, 2022 Rs. 1,205.69 Lakhs).

(c) Employee Stock Option Schemes

Description of share-based payment arrangements:

As at March 31, 2023 and March 31, 2022 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 February 6, 2020 as per the recommendation of Nomination and Remuneration Committee and approved by members of the Company through postal ballot process on April 06, 2020.

This plan shall be deemed to have come into force on April 06, 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.

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 September 19, 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 January 01, 2016 or prior thereto) shall vest at the rate of 50% of Grant on January 01, 2018, 25% of Grant on January 01, 2019 and 25% of Grant on January 01, 2020.
- New employees (person who is in continuous employment with the Company after January 01, 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 September 24, 2018, passed by the Nomination & Remuneration Committee

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
RSU - Option granted to eligible employees on May 2020	3,70,000	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 April 25, 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 October 16, 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.

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

Name of the Company	March 31, 2023		March 31, 2022	
	Weighted average exercise price	Number of RSU	Weighted average exercise price	Number of RSU
Outstanding at the beginning	2	2,27,094	2	2,37,000
Granted during the year	2	1,02,650	2	26,000
Exercised during the year #	2	36,045	2	27,406
Lapsed/ forfeited /surrender/buyback	2	1,53,028	2	8,500
Outstanding at the end	2	1,40,671	2	2,27,094
Exercisable at the end	2	-	2	-

Summary of Shares/Option exercised during the year.

Particulars	Number of shares / Options	Amount
Securities Premium (Exercise price (2.00) less Face value per share (2.00))	-	-
General Reserve (Fair Value - Nil per Option)	-	-
Equity Shares (Face value Rs. 2 per share)	36,045	0.72

MESOS 2015

Name of the Company	March 31, 2023		March 31, 2022	
	Weighted average exercise price	Number of Shares	Weighted average exercise price	Number of Shares
Outstanding at the beginning	705.77	5,000	705.77	32,900
Granted during the year	-	-	-	-
Granted due to bonus issue	-	-	-	-
Granted due to split of shares	-	-	-	-
Exercised during the year #	705.77	2,500	705.77	27,900
Lapsed/ forfeited /surrendered	-	-	705.77	-
Outstanding at the end	705.77	2,500	705.77	5,000

The options outstanding at March 31, 2023 have an exercise price of Rs. 705.77 (March 31, 2022 have an exercise price of Rs. 705.77) and a weighted average remaining contractual life of 6 months to 2 years (March 31, 2022: 6 months to 2 years)

The expense arising from MESOS 2015 scheme during the year is Rs. 6.98 Lakhs (March 31, 2022 Rs. 24.61 Lakhs);

The expense arising from RSU 2020 scheme during the year is Rs. 21.53 Lakhs (March 31, 2022 Rs. 661.11 Lakhs);

Summary of Shares/Option exercised during the year

Particulars	Number of shares / Options	Amount
Securities Premium (Exercise price (705.77) less Face value per share (2.00)	2,500	17.59
General Reserve (Fair Value - Nil per Option)	-	-
Equity Shares (Face value Rs. 2 per share)	2,500	0.05

Measurement of Fair value

The fair value of employee share options has been measured at fair value of prevailing market value. 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:

	MESOS 2015		RSU 2020
	October 16, 2017	April 25, 2016	May 29, 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	1,321.00
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.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(d) Compensatory absences:

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

49. SEGMENT REPORTING

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.

50. CORPORATE SOCIAL RESPONSIBILITY (CSR)

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
i) Amount required to be spent by the Company during the year	513.83	445.67
ii) Amount of expenditure incurred		
A) Construction/ acquizition of any asset		
B) On other than (A) above	513.83	365.00
iii) Shortfall at the end of the year	-	80.67
iv) Total of previous year shortfall	-	-
v) Reasons for shortfall	NA	Due to ongoing projects
vi) Nature of CSR activities	Promoting healthcare, education and Covid 19 relief	
vii) Details of related party transaction	Metropolis Foundation : Rs.215.56 Lakhs for CSR activites in current year	

51.

(a) Disclosure under section 186 (4) of the Companies Act, 2013

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:

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Centralab Healthcare Services Private Limited	-	2,517
Metropolis Histoxpert Digital Services Private Limited	-	0.33
Total	**-**	**2,517.33**

(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 Rs. 4,104.00 Lakhs, an amount of Rs. 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.

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

The deferred consideration of Rs. 100 Lakhs has been measured at fair value (Rs. 80.40 Lakhs) on initial recognition and the difference of Rs. 19.60 Lakhs will be recognized as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. 1.25 Lakhs (March 31, 2022 Rs. 3.32 Lakhs) charged to statement of profit and loss (refer note 33).

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

The deferred consideration of Rs. 60 Lakhs has been measured at fair value (Rs. 55.22 Lakhs) on initial recognition and the difference of Rs. 4.78 Lakhs will be recognize as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. NIL (March 31, 2022 Rs. 1.31 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 Iyyer Lab) located at Surat for an initial purchase consideration of Rs. 1,800.00 Lakhs. The amount of Rs. 1,800.00 Lakhs is to be paid by the Desai Metropolis health Services Private Limited to the owners of these laboratories in 6 tranches starting from September 2019 to September 2024.

The deferred consideration of Rs. 1,800 Lakhs has been measured at fair value (Rs. 1,668.11 Lakhs) on initial recognition and the difference of Rs. 131.89 Lakhs will be recognized as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. 8.67 Lakhs (March 31, 2022 Rs. 25.10 Lakhs) charged to statement of profit and loss (refer note 33).

Summarized Details of Deferred Purchase Consideration

Particular	March 31, 2023		March 31, 2022	
	Finance Cost	Closing Fair value	Finance Cost	Closing Fair value
Sanjeevani Pathology Laboratory	-	100.00	-	100.00
Dr. Patel Metropolis Healthcare Private	1.25	19.54	3.32	18.54
Bokil Golwilkar Metropolis Healthcare Private	-	-	1.31	-
Desai Metropolis health Services Private Limited - Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyyer Lab)	8.67	77.84	25.10	113.92
Total	**9.92**	**197.38**	**29.73**	**232.46**

52. INVESTMENT AND RECEIVABLE FROM STAR METROPOLIS HEALTH SERVICES MIDDLE EAST LLC, DUBAI

As at March 31, 2023, the Company has an investment of Rs. 129.85 Lakhs (March 31, 2022 Rs. 129.85 Lakhs) and receivable of Rs. 445.05 Lakhs (March 31, 2022 Rs. 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 discontinued to recognize the said entity as an associate from the previous year and has filed an application to Reserve Bank of India (RBI) through Authorized Dealer Bank seeking permission to write off the above investment and receivable.

53. TRANSFER PRICING

The Company management is of the opinion that its international and domestic transactions are at arm's length as per the independent firms report for the year ended March 31, 2022. Management continues to believe that its international transactions post March 31, 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.

54. 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 March 31, 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 March 31, 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.

55. 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 STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

56. On November 16, 2022, the Income tax department conducted searches at premises of the Company. No assets of the Company were seized during this process. The Company has been providing the information and clarifications sought by the authorities. Subsequently, the Company and certain subsidiaries have received notices u/s 148 of the Income Tax Act,1961. Presently, there is no demand in relation to the search conducted by the authorities. No adjustments have been made in the financial results/statements.

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 n 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. SUBSEQUENT EVENT

There are no subsequent event occured between the end of the reporting period i.e. March 31, 2023 and the date of adoption of standalone financial statement by board i.e. May 16, 2023.

59. BUSINESS COMBINATION

Acquizition and Liquidation of Dr.Ganesan's Hitech Diagnostic Centre Private Limited

a) On October 22, 2022, 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 Rs. 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 "Centrallab" has become wholly owned subsidiary and step down subsidiary respectively of the Company.

b) The Board of Directors of the Company, at their meeting held on February 11, 2022, accorded in-principle approval for the voluntary liquidation of Dr. Ganesan's Hitech Diagnostic Centre Private Limited ('Hitech'), a wholly owned subsidiary of the Company, to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of Hitech in their meeting dated April 01, 2022 and the members of Hitech in their Extra Ordinary General meeting held on April 01, 2022 have accorded their approval for consolidation of the business of Hitech through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of Hitech has transferred the entire business undertaking to the Company on a going concern basis on and with effect from June 04, 2022.

c) Accordingly, the Company has given effect of the liquidation as per the requirements of Appendix C to Ind AS 103 "Business Combination", to as if it had occurred from the beginning of the preceding period (i.e. October 22, 2021) and accordingly preceding period figures (i.e March 31, 2022) have been revised.

d) Accounting treatment

   i. The Transferee Company has recorded all the assets, liabilities and reserves of the Transferor Company, at their carrying values and in the same form as appearing in the consolidated financial statement 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' read with ITFG Bulletin 9; Issue 2 ; Situation B 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 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-liquidation.

   v. 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.

e) Details of net assets acquired:

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

(Rs. in Lakhs)

Particulars	Amount
Tangible Asset	
Net Working Capital	(228.00)
Property, Plant and Equipment	1,105.00
Right-of-Use Assets	766.00
Total Tangible Asset (A)	**1,643.00**
Identified Intangibles Assets	
Hitech Brand	29,387.00
Non-compete agreement	2,936.00
Total Intangibles Assets (B)	**32,323.00**
Total (C)=(A)+(B)	**33,966.00**
Purchase Consideration (D)	**60,625.00**
Other Adjustments (E)	**(454.00)**
Goodwill (F)=(D)-(C)-(E)	**27,113.00**

- Net Working Capital (trade receivables, inventory, security deposits, prepaid rent and other current assets) and current liabilities (trade payables, and other current liabilities) are realizable/ 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").

60. ACCOUNTING RATIOS

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.05	1.23	(14.86%)	-
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.09	0.31	(71.46%)	Refer Note-1
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	3.24	5.36	(39.59%)	Refer Note-2
Return on Equity ratio (in %)	Net Profits after taxes – Preferred Dividend	Average Shareholder's Equity	0.16	0.27	(41.00%)	Refer Note-3
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	24.15	27.18	(11.15%)	-
Trade Receivable Turnover Ratio (in times)	Net credit sales	Average Trade Receivable	8.00	8.54	(6.37%)	-
Trade Payable Turnover Ratio (in times)	Net credit purchases	Average Trade Payables	2.55	2.83	(9.75%)	-
Net Capital Turnover Ratio (in times)	Net credit sales	Working capital	87.62	17.46	401.81%	Refer Note-4
Net Profit ratio (in %)	Net Profit	Net sales	13.03%	17.25%	(24.42%)	-
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed	78.19%	80.75%	(3.17%)	-
Return on Investment (in %)	Interest (Finance Income)	Investment	1.36%	0.83%	63.82%	Refer Note-5

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Definitions:

(a) Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(b) Debt service = Interest & Lease Payments + Principal Repayments

(c) Average inventory = (Opening inventory balance + Closing inventory balance) / 2

(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return

(e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2

(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return

(g) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2

(h) Working capital = Current assets - Current liabilities.

(i) Earning before interest and taxes = Profit before exceptional items and tax + Finance costs - Other Income

(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Note:

1. Due to repayment & prepayment of loans taken for acquision of Hitech business in previous year.
2. Mainly due to prepayment of loans in current year which was taken for acquision of Hitech business as mentioned in Note 1.
3. Variance is due to reduction in profit compare to previous year(COVID revenue reduce) and increase in average equity.
4. Due to reduction in current assets in Cash and cash equivalents, utilization of cash and cash equivalents toward payments of loans & dividend.
5. Due to redemption of fixed deposits in current year.

61. 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. Utilization of borrowed funds & share premium

iii. Borrowings obtained on the basis of security of current assets

iv. Discrepancy in utilization of borrowings

v. Current maturity of long term borrowings

As per our report of even date attached

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

Sd/-
Tarun Kinger
Partner
Membership No: 105003

Place: Mumbai
Date: May 16, 2023

For and on behalf of the Board of Directors
Metropolis Healthcare Limited
L73100MH2000PLC192798

Sd/-
Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Sd/-
Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai