INDEPENDENT AUDITORS' REPORT

To the Members of

Metropolis Healthcare Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Metropolis Healthcare Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group, and its joint venture as at 31 March 2020, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTER:

The key audit matter	How the matter was addressed in our audit
As disclosed in note 4 of the consolidated financial statements the Group has goodwill aggregating ₹ 9,034.79 Lakhs at 31 March 2020. Group tests goodwill for impairment annually, or more frequently when there is an indication, the cash generating unit to which goodwill has been allocated may be impaired. There are judgments used in this, such as projection of future sales, operating costs and profit margins and discount rate in applying discounted cash flow valuation methodology. As impairment assessment involves significant assumptions and judgment, we regard this as a key audit matter.	Our audit procedures included the following: • Assessing the identification of relevant Cash Generating Units (CGU) to which goodwill is allocated; • Assessing the accuracy of prior period forecasts of the CGU with the actual financial performance of the CGU; • Challenging the assumptions used in impairment analysis, such as future sales, operating costs and profit margins and discount rate. This was based on our knowledge of the Group and the markets in which the CGU operates. We took assistance of our valuations specialists for above testing; • Performing sensitivity analysis of the key assumptions, used in determining the recoverable value; • Evaluating the adequacy of disclosures of key assumptions, judgements and sensitivities in respect of goodwill.

INDEPENDENT AUDITORS' REPORT (Contd.)

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 our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, 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 CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

- 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 Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

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

OTHER MATTERS

(a) We did not audit the financial statements of 6 subsidiaries, whose financial statements reflect total assets of ₹ 5,008.55 Lakhs as at 31 March 2020, total revenues of ₹ 4,135.46 Lakhs and net cash flows amounting to ₹ 876.52 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

A. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

INDEPENDENT AUDITORS' REPORT (Contd.)

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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies and its joint venture incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the and joint venture (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint venture, as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group and its joint venture. Refer Note 47 to the consolidated financial statements;

ii. The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020;

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture incorporated in India during the year ended 31 March 2020; and

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and joint venture to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and joint venture 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) which are required to be commented upon by us.

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

Tarun Kinger
Partner
Membership No: 105003
ICAI UDIN: 20105003AAAABA3677

Place: Mumbai
Date: 29 May 2020

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF METROPOLIS HEALTHCARE LIMITED FOR THE YEAR ENDED 31 MARCH 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013

(REFERRED TO IN PARAGRAPH (A) (f) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Metropolis Healthcare Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls 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 RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF METROPOLIS HEALTHCARE LIMITED FOR THE YEAR ENDED 31 MARCH 2020 (CONTD.)

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

Tarun Kinger
Partner
Membership No: 105003
ICAI UDIN: 20105003AAAABA3677

Place: Mumbai
Date: 29 May 2020

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2020

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
I. ASSETS			
Non-current assets			
Property, plant and equipment	3	12,119.62	11,667.14
Right of use assets	40	5,965.92	-
Goodwill	4	9,034.79	7,855.08
Other intangible assets	4	2,516.83	1,758.68
Intangible assets under development		298.73	577.30
Equity accounted investees	46 & 5	-	51.98
Financial Assets			
i) Investments	6	175.28	175.28
ii) Loans	7	546.70	420.65
iii) Other non-current financial assets	8	1,239.34	1,019.90
Deferred tax assets (Net)	38 (iv)	1,390.11	365.71
Other non-current assets	9	636.72	155.01
Non-current tax assets (Net)	10	1,593.19	745.06
Total non-current assets		**35,517.23**	**24,791.79**
Current assets			
Inventories	11	2,440.07	2,610.23
Financial Assets			
i. Investments	12	1,256.61	3,101.62
ii. Trade receivables	13	12,824.78	13,684.78
iii. Cash and cash equivalents	14	10,717.42	5,137.10
iv. Bank balance other than (iii) above	15	10,329.70	2,886.83
v. Loans	16	1,118.07	1,510.15
vi Other current financial assets	17	217.10	843.31
Other current assets	18	802.19	698.24
Total current assets		**39,705.94**	**30,472.26**
Total assets		**75,223.17**	**55,264.05**
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	1,012.61	1,003.57
Other equity	20	51,337.00	40,850.27
Equity attributable to equity holders of the Company		**52,349.61**	**41,853.84**
Non-controlling interests		165.76	143.07
Total equity		**52,515.37**	**41,996.91**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	21	-	3.51
ii. Other non-current financial liabilities	22	467.81	208.89
iii. Lease Liabilities	40	4,577.81	-
Provisions	23	541.40	316.08
Deferred tax liabilities (net)	38 (iv)	172.82	290.02
Total non-current liabilities		**5,759.84**	**818.50**
Current liabilities			
Financial liabilities			
i. Borrowings	24	-	1,757.86
ii. Lease Liabilities	40	2,088.89	-
iii. Trade payables			
- Total outstanding dues of micro and small enterprises	25	724.72	3.87
- Total outstanding dues of creditors other than micro enterprises and small enterprises	25	7,778.68	4,281.05
Other current financial liabilities	26	3,441.44	4,183.49
Other current liabilities	27	1,881.15	803.85
Provisions	23	659.91	488.09
Current tax liabilities (net)	28	373.17	930.43
Total current liabilities		**16,947.96**	**12,448.64**
Total liabilities		**22,707.80**	**13,267.14**
Total Equity and Liabilities		**75,223.17**	**55,264.05**

The accompanying notes are an intergal part of these consolidated financial statements.

As per our report of even date attached

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

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

Tarun Kinger
Partner
Membership No: 105003

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

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Poonam Tanwani
Company Secretary
Membership No: ACS 19182
Place : Mumbai

Place : Mumbai
Date : 29 May 2020

Vijender Singh
Chief Executive Officer
Place : Gurugram

Rakesh Agarwal
Chief Financial Officer
Place : Gurugram

Date : 29 May 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2020

(₹ in Lakhs)

Particulars	Notes	For the year ended 31 March 2020	For the year Ended 31 March 2019
INCOME			
Revenue from operations	29	85,640.54	76,118.18
Other income	30	856.66	821.32
Total Income		**86,497.20**	**76,939.50**
EXPENSES			
Cost of materials consumed	31	20,413.50	17,351.02
Laboratory testing charges	32	688.99	557.17
Employee benefits expense	33	19,015.62	17,620.71
Finance costs	34	834.47	53.11
Depreciation and amortisation expense	35	3,926.72	2,006.61
Other expenses	36	22,239.95	20,552.68
Total Expenses		**67,119.25**	**58,141.30**
Profit before exceptional items ,share of profit for equity accounted investees and income tax		**19,377.95**	**18,798.20**
Exceptional items	37	2,452.66	-
Profit before share of profit for equity accounted investees and income tax		**16,925.29**	**18,798.20**
Share of (loss) for equity accounted investees (net of tax)	46	(51.98)	(143.02)
Profit before tax		**16,873.31**	**18,655.18**
Income tax expense:	38		
1. Current tax		5,326.98	6,309.03
2. Deferred tax (income)		(919.33)	(15.13)
3. Tax adjustments for earlier years		(289.56)	-
Total Income Tax expenses		**4,118.09**	**6,293.90**
Profit for the year		**12,755.22**	**12,361.28**
Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified subsequently to profit and loss			
Remeasurements of the defined benefit plans	51(a)	(278.02)	74.50
Income tax on above	38	69.98	(24.54)
		(208.04)	**49.96**
(ii) Items that will be subsequently reclassified to profit and loss			
Exchange differences in translating financial statements of foreign operations		(92.11)	89.32
		(92.11)	**89.32**
Other comprehensive income for the year, net of tax		**(300.15)**	**139.28**
Total comprehensive income for the year		**12,455.07**	**12,500.56**
Profit attributable to:			
Owners of the Company		12,732.56	12,014.79
Non-controlling interest		22.66	346.49
Other comprehensive income attributable to:			
Owners of the Company		(300.18)	138.14
Non-controlling interest		0.03	1.14
Total comprehensive income attributable to:			
Owners of the Company		12,432.37	12,152.93
Non-controlling interest		22.69	347.63
Earnings per equity share			
Equity shares of face value of ₹ 2 each			
Basic earnings per share (₹)	39	25.36	24.06
Diluted earnings per share (₹)	39	25.25	24.02

The accompanying notes are an intergal part of these consolidated financial statements.

As per our report of even date attached

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

Tarun Kinger
Partner
Membership No: 105003

Place : Mumbai
Date : 29 May 2020

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

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

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Poonam Tanwani
Company Secretary
Membership No: ACS 19182
Place : Mumbai

Vijender Singh
Chief Executive Officer
Place : Gurugram

Rakesh Agarwal
Chief Financial Officer
Place : Gurugram

Date : 29 May 2020

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

(₹ in Lakhs)

	Particulars	31 March 2020	31 March 2019
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	16,873.31	18,655.18
	Adjustments for :		
	Depreciation and amortisation expense	3,926.72	2,006.61
	Loss/(Gain) on sale of property plant and equipments (net)	60.01	(3.05)
	Provision for bad and doubtful debts	3,500.00	508.15
	Provision for bad and doubtful advances	246.81	3.84
	Loss on sale of debt instrument measured at FVOCI	-	3.79
	Foreign exchange (gain) (net)	(55.09)	(20.71)
	Employee share based payment expenses	72.38	88.44
	Credit impaired trade receivables written off	-	24.43
	Interest income	(589.96)	(346.53)
	Changes in fair value of current investments	(90.07)	(330.59)
	Provision for impairment of current investments	336.48	144.20
	Dividend income from mutual fund	(21.46)	(96.24)
	Share of Loss of equity accounted investment	51.98	143.02
	Interest expense	834.47	53.11
	Operating profit before working capital changes	**25,145.58**	**20,833.65**
	Working capital adjustments:		
	Decrease/(Increase) in loans	238.28	(491.58)
	Decrease/(Increase) in inventories	170.16	(491.51)
	(Increase) in trade receivables	(2,658.44)	(4,128.25)
	Decrease/(Increase) in other assets	586.07	(908.28)
	Increase in provisions	119.12	89.54
	Increase in trade payables	3,163.25	751.12
	Increase in other financial liabilities	(151.55)	68.76
	(Decrease)/Increase in other liabilities	1,330.41	32.03
	Cash generated from operating activities	**27,942.89**	**15,755.48**
	Income Taxes (paid)	(6,442.81)	(6,740.40)
	Net cash generated from operating activities (A)	**21,500.08**	**9,015.08**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and capital work-in-progress (Including capital advances and capital creditors)	(2,918.36)	(1,955.80)
	Purchase of other intangible assets	(702.32)	(418.50)
	Proceeds from sale of property, plant and equipment	26.31	26.53
	Purchase consideration paid towards acquisition of business	(1,237.93)	(129.12)
	Proceeds from sale of non-current investment	-	0.25
	Proceeds from sale of current investments	2,465.47	11,527.87
	Purchase of current investments	(866.87)	(4,405.00)
	Purchase of stake in joint venture	-	(194.35)
	Interest received	391.44	206.17
	Dividend received	21.46	96.24
	Net investments in bank deposits (having original maturity of more than three months)	(7,662.32)	(1,220.00)
	Net cash (used in)/generated from investing activities (B)	**(10,483.12)**	**3,534.29**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020 (CONTD.)

(₹ in Lakhs)

Particulars		31 March 2020	31 March 2019
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Share warrants exercise (Refer note 55)^	-	224.45
	Share based payments	-	(355.45)
	Procees from Issue of Share to ESOP holders (Refer note 51(c))	3,189.27	32.80
	Repayment of long-term borrowings	(16.56)	(16.30)
	Repayment of short-term borrowings	(1,757.86)	1,720.90
	Lease payments	(1,332.64)	-
	Interest on Lease Liabilities	(722.33)	-
	Payment of dividend	(4,014.29)	(6,653.69)
	Payment of dividend tax	(825.15)	(1,655.46)
	Acquisition of non-controlling interests	-	(5,098.87)
	Interest expense	(52.76)	(13.07)
	Net cash (used in) Financing activities (C)	**(5,532.32)**	**(11,814.69)**
	Net Increase in cash and cash equivalents (A) + (B) + (C)	**5,484.64**	**734.68**
	Effect of exchange rate changes on cash and cash equivalents	95.68	55.66
	Net Increase in cash and cash equivalents	**5,580.32**	**790.34**
	Cash and Cash Equivalents at the beginning of the year (Refer note 14)	**5,137.10**	**4,346.76**
	Cash and Cash Equivalents at the end of the year (Refer note 14)	**10,717.42**	**5,137.10**

Notes:

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 "Cash Flow Statement"
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:

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Balance as at the beginning of the year	1,777.92	73.32
Cashflows	(1,774.41)	1,704.60
Balance as at the end of the year	**3.51**	**1,777.92**

Note:

^ During the previous year ended 31 March 2019, 64,596 shares for total non cash consideration of ₹ 2634.42 Lakhs at premium of ₹ 4,068 were issued to shareholders of subsidiary companies for acquiring balance stake and (Refer note 44)

^ During the previous year ended 31 March 2019, 1 share for total non consideration of ₹ 0.00 Lakhs was issued to shareholders of Bacchus Hospitality Services and Real Estate Private Limited pursuant to amalgamation (Refer note 57)

The accompanying notes are an intergal part of these consolidated financial statements.

As per our report of even date attached

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

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

Tarun Kinger
Partner
Membership No: 105003

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

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Poonam Tanwani
Company Secretary
Membership No: ACS 19182
Place : Mumbai

Place : Mumbai
Date : 29 May 2020

Vijender Singh
Chief Executive Officer
Place : Gurugram

Rakesh Agarwal
Chief Financial Officer
Place : Gurugram

Date : 29 May 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ('SOCIE')

FOR THE YEAR ENDED 31 MARCH 2020

A. CHANGES IN EQUITY SHARE CAPITAL (REFER NOTE 19)

Particulars	Number of shares	Amount (in Lakhs)
Balance as at 1 April 2018	**95,43,646**	**954.36**
Changes in equity share capital during the year		
Issued under Metropolis Employee Stock Option Scheme 2007 (Refer note 51 (c))	32,800	3.28
Issued on exercise of share warrants (Refer note 55)	8,703	0.87
Issued to the Shareholders of Subsidiary Companies on acquisition of further stake (Refer note 44(i)(ii)(iii)(iv)(v)(vi))	64,596	6.46
Issued to the Shareholders of Bacchus Hospitality Services and Real Estate Private Limited pursuant to the scheme of amalgamation (Refer note 57 b))	26,57,731	265.77
Cancellation of the old shares of Bacchus Hospitality Services and Real Estate Private Limited pursuant to the scheme of amalgamation (Refer note 57 (b))	(26,57,730)	(265.77)
Issue of Bonus Shares (Refer Note 19(g))	3,85,990	38.60
Outstanding before sub-division of shares	**1,00,35,736**	**1,003.57**
Adjustment for Sub-Division of Equity Shares (Refer Note 19(g))	4,01,42,944	-
Balance as at 1 April 2019	**5,01,78,680**	**1,003.57**
Changes in equity share capital during the year		
Issued under Metropolis Employee Stock Option Scheme 2015 (Refer note 51 (c))	4,51,886	9.04
Balance as at 31 March 2020	**5,06,30,566**	**1,012.61**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ('SOCIE')
FOR THE YEAR ENDED 31 MARCH 2020 (CONTD.)

B. OTHER EQUITY (REFER NOTE 20)

Particulars	Fully convertible share warrants (Refer 55)	Reserves & Surplus						Other comprehensive income			Total other Equity attributable to owners of Company	Non-controlling Interest	Total other equity
		Securities premium	Capital redemption reserve	General reserve	Capital reserve	Employee stock options reserve	Retained earnings	Foreign Currency Translation reserves	Debt instruments fair valued through OCI	Gain/Loss on remeasurement of defined benefit plan through OCI			
Balance as at 1 April 2018	**0.20**	**5,831.61**	**32.37**	**1,750.98**	**69.13**	**170.34**	**32,560.39**	**143.37**	**0.27**	**(36.35)**	**40,522.32**	**1,436.57**	**41,958.89**
Profit for the year	-	-	-	-	-	-	12,014.79	-	-	-	12,014.79	346.49	12,361.28
Gain/loss on re-measurement of defined benefit plans	-	-	-	-	-	-	-	-	-	48.82	48.82	1.14	49.96
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	89.32	-	-	89.32	-	89.32
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**12,014.79**	**89.32**	**-**	**48.82**	**12,152.93**	**347.63**	**12,500.56**
Interim dividend	-	-	-	-	-	-	(6,653.69)	-	-	-	(6,653.69)	-	(6,653.69)
Tax on Interim dividend	-	-	-	-	-	-	(1,655.46)	-	-	-	(1,655.46)	-	(1,655.46)
Acquisition of stake from NCI (refer note 44(i)(iii)(iv)(v)(vi)(vii)(viii))	-	-	-	-	-	-	(6,446.07)	-	-	-	(6,446.07)	(1,641.13)	(8,087.20)
Utlilised during the year pursuant to the scheme of Amalgamation with Bacchus Hospitality Services and Real Estate Private Limited (Refer note 57 (b))	-	(0.00)^	-	-	-	-	-	-	-	-	-	-	-
Utilised on issue of bonus shares	-	(6.55)	(32.04)	-	-	-	-	-	-	-	(38.59)	-	(38.59)
Share options exercised under Metropolis Employee Stock Option Scheme 2007 (Refer note 51 (c))	-	29.52	-	-	-	-	-	-	-	-	29.52	-	29.52
Share warrants exercised during the year (Refer note 55)	(0.20)	223.58	-	-	-	-	-	-	-	-	223.38	-	223.38
Shares issued to the Shareholders of Subsidiary Companies on acquisition of further stake (refer note 44(i)(ii)(iii)(iv)(v)(vi))	-	2,627.77	-	-	-	-	-	-	-	-	2,627.77	-	2,627.77
Share based payments (Refer note 33)	-	-	-	-	-	88.44	-	-	-	-	88.44	-	88.44
Debt instruments fair valued through other comprehensive income	-	-	-	-	-	-	-	-	(0.27)	-	(0.27)	-	(0.27)
Balance as at 31 March 2019	**-**	**8,705.93**	**0.33**	**1,750.98**	**69.13**	**258.78**	**29,819.96**	**232.69**	**-**	**12.47**	**40,850.27**	**143.07**	**40,993.34**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ('SOCIE')
FOR THE YEAR ENDED 31 MARCH 2020 (CONTD.)

Particulars	Fully convertible share warrants (Refer 55)	Reserves & Surplus						Other comprehensive income			Total other Equity attributable to owners of Company	Non-controlling Interest	Total other equity
		Securities premium	Capital redemption reserve	General reserve	Capital reserve	Employee stock options reserve	Retained earnings	Foreign Currency Translation reserves	Debt instruments fair valued through OCI	Gain/Loss on remeasurement of defined benefit plan through OCI			
Balance as at 1 April 2019	**-**	**8,705.93**	**0.33**	**1,750.98**	**69.13**	**258.78**	**29,819.96**	**232.69**	**-**	**12.47**	**40,850.27**	**143.07**	**40,993.34**
Profit for the year	-	-	-	-	-	-	12,732.56	-	-	-	12,732.56	22.66	12,755.22
Other comprehensive income	-	-	-	-	-	-	-	-	-	(208.07)	(208.07)	0.03	(208.04)
Gain/loss on re-measurement of defined benefit plans	-	-	-	-	-	-	-	-	-	-	-		-
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	-	(92.11)	-	-	(92.11)	-	(92.11)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**127,32.56**	**(92.11)**	**-**	**(208.07)**	**12,432.38**	**22.69**	**12,455.07**
Interim dividend	-	-	-	-	-	-	(4,014.29)	-	-	-	(4,014.29)	-	(4,014.29)
Tax on Interim dividend	-	-	-	-	-	-	(825.15)	-	-	-	(825.15)	-	(825.15)
Share options exercised under Metropolis Employee Stock Option Scheme 2007 (Refer note 51(c))	-	3,180.23	-	124.10	-	(124.10)	-	-	-	-	3,180.23	-	3,180.23
Transition impact of Ind AS 116, net of tax (Refer note 40)	-	-	-	-	-	-	(358.82)	-	-	-	(358.82)	-	(358.82)
Share based payments (Refer note 33)	-	-	-	-	-	72.38	-	-	-	-	72.38	-	72.38
Balance as at 31 March 2020	**-**	**11,886.16**	**0.33**	**1,875.08**	**69.13**	**207.06**	**37,354.26**	**140.58**	**-**	**(195.60)**	**51,337.00**	**165.76**	**51,502.76**

^ Amount is below ₹ 10

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached

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

Tarun Kinger
Partner
Membership No: 105003

Place : Mumbai
Date : 29 May 2020

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

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

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Poonam Tanwani
Company Secretary
Membership No: ACS 19182
Place : Mumbai

Vijender Singh
Chief Executive Officer
Place : Gurugram

Rakesh Agarwal
Chief Financial Officer
Place : Gurugram

Date : 29 May 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 BACKGROUND OF COMPANY AND NATURE OF THE OPERATION

Metropolis Healthcare Limited (the 'Company' or the 'Holding Company'), was incorporated as Pathnet India Private Limited in the year 2000. These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and its joint venture. The Group and its joint Venture is primarily involved in providing pathology and related healthcare services.

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

2 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and measurement

a Statement of compliance:

(i) The Consolidated Balance Sheet of the Group as at 31 March, 2020 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year ended 31 March, 2020, summary of significant accounting policies and other financial information (together referred as 'Consolidated 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.

The consolidated Ind AS financial Information were authorized for issue by the Company's Board of Directors on 29 May 2020.

The financial statements of all subsidiaries considered in the consolidated financial statements, are drawn upto 31 March 2020 except for Metropolis Bramser Lab Services (Mtius) Limited, Metropolis Healthcare Ghana Limited, Metropolis Healthcare Tanzania Limited and Metropolis Star Lab Kenya Limited which are drawn upto 31 December 2019. The financial statements of Metropolis Bramser Lab Services (Mtius) Limited, Metropolis Healthcare Ghana Limited, Metropolis Healthcare Tanzania Limited and Metropolis Star Kenya Limited are not adjusted for the period between 31 December 2019 and the date of the Holding Company's financial statements being 31 March 2020 since there were no significant transactions and events that occured in this period.

b Current vs non-current classification:

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

Assets:

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

a) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within twelve months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

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

a) it is expected to be settled in the Group'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 Group 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 Group's 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 Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

c Functional and presentation currency

The functional currency of the Company and its Indian subsidiaries is Indian Rupees (INR), whereas the functional currency of foreign subsidiaries are as follows:

- Metropolis Star Lab Kenya Ltd – Kenya Shillings (Kshs)
- Metropolis Healthcare (Mauritius) Ltd - United States Dollar (USD)
- Metropolis Bramser Lab Services (MTUIS) Ltd – Mauritian Rupees (MUR)
- Metropolis Healthcare Ghana Limited - Ghanaian cedi (GHC)
- Metropolis Healthcare Lanka Private Limited – Sri Lankan Rupees (LKR)
- Metropolis Healthcare Tanzania Limited - Tanzanian Shilling (TZS)

The presentation currency of the Group is Indian Rupees (INR). All figures appearing in the consolidated financial statements are rounded to the nearest Lakhs, unless otherwise indicated.

d Basis of measurement

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

- Certain financial assets and liabilities 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

e Key estimates and assumptions

In preparing these consolidated 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the Consolidated Statement of Profit and Loss in the year in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

i. Assessment of functional currency (Note 2.2(n))
ii. Determination of useful lives of property, plant and equipment and intangibles; (Note 2.2(b))
iii. Impairment test of non-financial assets (Note 2.2(d))
iv. Recognition of deferred tax assets; (Note 2.2(m))
v. Recognition and measurement of provisions and contingencies; (Note 2.2(h))
vi. Fair value of financial instruments (Note 2.2 (e))
vii. Impairment of financial assets (Note 2.2 (e))
viii. Measurement of defined benefit obligations; (Note 2.2(k))
ix. Fair valuation of employee share options; (Note 2.2(k))
x. Fair value measurement of consideration and net assets acquired as part of business combination (Note 2.2(a))

f Measurement of fair values

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

The Group has an established control framework with respect to the measurement of fair values (including Level 3 fair values). The Group 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).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

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 Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period 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 41)

- Share-based payment arrangements (Note 51 (c))

- Business combination (Note 44)

2.2 Significant accounting policies

a) Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which the control ceases.

Subsidiaries are consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. The intra-company balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.

The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise. Refer note 43 (a) for subsidiaries considered for consolidation.

Non-controlling interests (NCI):

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parents of the Group and to the non-controlling interest, even if this results in the non-controlling interests have a deficit balances.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decision of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint ventures. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities required unanimous consent of the parties sharing control.

The Group's investments in its associate and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associates or joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognized changes in the Group's share of net assets of the associates or joint ventures since the acquisition date. Goodwill relating to the associates or a joint venture is included in the carrying amount of the investment and is not tested for impairment individually. Refer note 43 (b) & (c) for joint ventures and associates considered for consolidation.

Business combinations

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when the control is transferred to the Group. The consideration transferred for the business combinations is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment.

Transaction costs are expensed as incurred, except to the extent related to the issue of equity securities

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI as appropriate.

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 profit or loss when the item is derecognized.

Subsequent expenditure:

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 Group 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 the 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	10 years
Computers	6 years	3 years
Furniture and Fixtures	15 years	10 years
Vehicles	10 years	8 years

Leasehold improvement are depreciated over the tenure of lease term.

In case of foreign subsidiaries depreciation is provided by written down value method, based on useful life of the respective block of assets as prescribed by the management. The useful life of property, plant and equipment are as below:

Laboratory equipment's - 6 years

Furniture and fixtures - 6 years

Office equipment's - 6 years

Computers - 3 years

Vehicles - 3 years

Leasehold improvements - 5 years

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

c) Intangible assets

Goodwill

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

Other Intangible assets:

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

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

Amortization

Goodwill is not amortised and is tested for impairment annually.

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

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

Computer software - 5 years

Brand - 10 years

Customer relationship - 5 years

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

d) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an individual asset (or where applicable, that of cash generating unit (CGU) to which the asset belongs) is the higher of its value in use and its fair value less costs to sell.

Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.
An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

e) Financial Instruments

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

Financial assets

Initial recognition and measurement

Financial assets are initially recognized when the Group 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.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

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 amortised cost using the effective interest rate (EIR) method.

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

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

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 consolidated 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 Group's balance sheet) when:

The contractual rights to receive cash flows from the financial asset have expired, or The Group 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 Group has transferred substantially all the risks and rewards of the asset, or
- (b) the Group 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 debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Consolidated 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 Group 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.

Trade receivables

The Company reviews its trade receivables to assess impairment at regular intervals. The Group's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be reported in the statement of profit and loss, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for expected credit loss is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Impairment of financial instruments (other than at fair value)

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are initially recognized when the Group 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.

Subsequent measurement

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

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

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

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) Inventories

Inventories comprise of reagents, chemicals, diagnostic kits, medicines and consumables. Inventories are valued at lower of cost and net realizable value. Cost is determined by weighted average cost method. Cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present condition and location. The comparison of cost and net realisable value is made on an item-by-item basis.

g) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet and cash flow statement includes cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

h) 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 Group.

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 consolidated financial statements where an inflow of economic benefit is probable.

i) Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Group 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, returns and discounts;

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 Group generates its revenue.

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

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

j) Other income

Interest income

For all debt 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. When calculating the EIR the Group 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 recognised in the statement of profit and loss on the date on which the Group's right to receive payment is established.

k) Employee Benefits

(i) Short-term Employee benefits

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

A liability is recognized for the amount expected to be paid if the Group 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 recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Group revises its estimates of the number of options that are expected to vest, if required.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(iii) Post-Employment Benefits

Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which a Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group 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 Group's gratuity benefit scheme is a defined benefit plan. The liability is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets (being funded portion), together with adjustments for unrecognised actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method. Certain subsidiaries of the Group, have their gratutiy plan funded and makes annual contribution to the fund based on the expected requirement.

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

In case of the foreign entities retirement benefits wherever required have been provided by the respective foreign companies as per local laws/ practice. In case of Metropolis Healthcare Lanka Private Limited , the defined benefit/obligation are calculated at the balance sheet date by an independent actuary using the projected unit credit method.

l) Leases

The Group has adopted Ind AS 116-Leases effective 1 April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1 April, 2019). Accordingly, previous period information has not been restated.

The Group's lease asset classes primarily consist of leases for premises. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

m) Income-tax

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognized in profit or 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 (recovered from) the taxation authorities using the applicable tax rates and tax laws.

- Current tax assets and liabilities are offset only if, the Group 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 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 year.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax base of investments in subsidiaries, branches, associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group 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.

n) Foreign currency

Foreign currency transactions:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

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

Foreign operations:

The assets and liabilities of foreign operations (subsidiaries) including goodwill and fair value adjustments arising on acquisition, are translated into Indian Rupees, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupees at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

o) Dividend

The Group recognizes a liability for any dividend declared but not distributed at the end of the reporting year, when the distribution is authorized and the distribution is no longer at the discretion of the Group on or before the end of the reporting year.

p) 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.

q) 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. The Group operates in one reportable business segment i.e. "Pathology services".Further the geographic segments are not applicable since assets are only in India.

Refer note 52 in the financial statements for additional disclosures on segment reporting.

r) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

s) Rounding of amounts

All amounts in the financial statement and accompanying notes are presented in Lakhs and have been rounded-off to two decimal place unless stated otherwise.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT

Changes in the carrying value of property, plant and equipment for the year ended 31 March 2020:

(₹ in Lakhs)

Particulars	Free-hold land	Building	Leasehold improve-ment	Furniture & fixtures	Laborato-ry equip-ments	Office equip-ment	Com-puters	Vehicles	Total
Cost as at 1 April 2019	**1,035.40**	**5,274.98**	**575.62**	**1,654.80**	**5,321.88**	**1,293.30**	**1,080.78**	**369.52**	**16,606.28**
Additions during the year	-	-	201.51	225.93	1,488.30	348.86	131.36	9.31	2,405.27
Disposals during the year	-	(4.92)	(27.19)	(35.53)	(682.30)	(211.98)	(295.16)	(0.96)	(1,258.04)
Exchange differences on translation of foreign operations	-	(4.00)	1.78	2.11	(6.85)	(0.84)	0.52	(1.97)	(9.25)
Cost as at 31 March 2020 (A)	**1,035.40**	**5,266.06**	**751.72**	**1,847.31**	**6,121.03**	**1,429.34**	**917.50**	**375.90**	**17,744.26**
Accumulated depreciation as at 1 April 2019	-	731.94	312.11	632.89	1,830.55	662.27	619.14	150.24	4,939.14
Depreciation charged during the year	-	227.69	138.30	168.78	828.88	258.24	178.07	56.21	1,856.17
Disposals during the year	-	-	(26.20)	(31.28)	(625.89)	(200.54)	(287.27)	(0.53)	(1,171.71)
Exchange differences on translation of foreign operations	-	(0.57)	0.31	0.84	0.49	(0.09)	0.52	(0.46)	1.04
Accumulated depreciation as at 31 March 2020 (B)	**-**	**959.06**	**424.52**	**771.23**	**2,034.03**	**719.88**	**510.46**	**205.46**	**5,624.64**
Net carrying amount as at 31 March 2020 (A) - (B)	**1,035.40**	**4,307.00**	**327.20**	**1,076.08**	**4,087.01**	**709.46**	**407.04**	**170.44**	**12,119.62**

Changes in the carrying value of property, plant and equipment for the year ended 31 March 2019:

(₹ in Lakhs)

Particulars	Free-hold land	Building	Leasehold improve-ment	Furniture & fixtures	Laborato-ry equip-ments	Office equip-ment	Com-puters	Vehicles	Total
Cost as at 1 April 2018	**1,035.40**	**5,258.48**	**445.32**	**1,531.46**	**4,001.00**	**1,124.72**	**851.11**	**310.96**	**14,558.45**
Additions during the year	-	23.22	128.80	118.41	1,358.00	167.08	229.57	89.05	2,114.13
Disposals during the year	-	(3.96)	-	(2.24)	(46.67)	-	(2.93)	(30.72)	(86.52)
Exchange differences on translation of foreign operations	-	(2.76)	1.50	7.17	9.55	1.50	3.03	0.23	20.22
Cost as at 31 March 2019 (A)	**1,035.40**	**5,274.98**	**575.62**	**1,654.80**	**5,321.88**	**1,293.30**	**1,080.78**	**369.52**	**16,606.28**
Accumulated depreciation as at 1 April 2018	-	493.47	179.04	456.65	1,200.46	446.29	436.21	116.69	3,328.81
Depreciation charged during the year	-	239.12	132.91	175.92	664.69	215.75	183.80	57.29	1,669.48
Disposals during the year	-	(0.25)	-	(1.20)	(35.69)	-	(2.26)	(23.65)	(63.05)
Exchange differences on translation of foreign operations	-	(0.40)	0.16	1.52	1.09	0.23	1.39	(0.09)	3.90
Accumulated depreciation as at 31 March 2019 (B)	**-**	**731.94**	**312.11**	**632.89**	**1,830.55**	**662.27**	**619.14**	**150.24**	**4,939.14**
Net carrying amount as at 31 March 2019 (A) - (B)	**1,035.40**	**4,543.04**	**263.51**	**1,021.91**	**3,491.33**	**631.03**	**461.64**	**219.28**	**11,667.14**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

4. INTANGIBLE ASSETS

Changes in the carrying value of intangibles for the year ended 31 March 2020:

(₹ in Lakhs)

Particulars	Goodwill	Total	Other Intangible Assets			
			Computer Software	Brand name	Customer Relationships	Total other intangible assets
Cost as at 1 April 2019	**8,130.07**	**8,130.07**	**912.46**	**1,170.00**	**311.00**	**2,393.46**
Additions during the year	1,173.90	1,173.90	702.32	285.51	210.04	1,197.87
Disposals during the year	-	-	-	-	-	-
Exchange differences on translation of foreign operations	5.81	5.81	(0.00)^	-	-	-
Cost as at 31 March 2020 (A)	**9,309.78**	**9,309.78**	**1,614.78**	**1,455.51**	**521.04**	**3,591.33**
Accumulated amortisation as at 1 April 2019	**274.99**	**274.99**	**246.51**	**253.50**	**134.77**	**634.78**
Amortisation recognised for the year	-	-	225.48	131.28	83.19	439.95
Disposals during the year	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	(0.23)	-	-	(0.23)
Accumulated amortisation as at 31 March 2020(B)	**274.99**	**274.99**	**471.76**	**384.78**	**217.96**	**1,074.50**
Net carrying amount as at 31 March 2020 (A) - (B)	**9,034.79**	**9,034.79**	**1,143.03**	**1,070.73**	**303.08**	**2,516.83**

^ Amount is below ₹ 500

Changes in the carrying value of intangibles for the year ended 31 March 2019:

(₹ in Lakhs)

Particulars	Goodwill	Total	Other Intangible Assets			
			Computer Software	Brand name	Customer Relationships	Total other intangible assets
Cost as at 1 April 2018	**8,111.89**	**8,111.89**	**493.93**	**1,170.00**	**311.00**	**1,974.93**
Additions during the year	-	-	418.50	-	-	418.50
Disposals during the year	-	-	-	-	-	-
Exchange differences on translation of foreign operations	18.18	18.18	0.03	-	-	0.03
Cost as at 31 March 2019 (A)	**8,130.07**	**8,130.07**	**912.46**	**1,170.00**	**311.00**	**2,393.46**
Accumulated amortisation as at 1 April 2018	274.99	274.99	88.56	136.50	72.57	297.63
Amortisation recognised for the year	-	-	157.93	117.00	62.20	337.13
Exchange differences on translation of foreign operations	-	-	0.02	-	-	0.02
Accumulated amortisation as at 31 March 2019 (B)	**274.99**	**274.99**	**246.51**	**253.50**	**134.77**	**634.78**
Net carrying amount as at 31 March, 2019 (A) - (B)	**7,855.08**	**7,855.08**	**665.95**	**916.50**	**176.23**	**1,758.68**

Impairment

Carrying amount of goodwill which is allocated to the pathology division as at 31 March 2020 is ₹ 9,034.79 Lakhs (31 March 2019 is ₹ 7,855.08 Lakhs). This goodwill is acquired on account of business acquisition and on consolidation 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(₹ in Lakhs)

Entity	31 March 2020	31 March 2019
Metropolis Healthcare Limited	4,880.90	4,880.90
Sudharma Metropolis Health Services Private Limited	57.70	57.70
Desai Metropolis Health Services Private Limited*	2,010.83	836.93
R.V. Metropolis Diagnostic & Health Care Center Private Limited	258.83	258.83
Micron Metropolis Healthcare Private Limited	319.96	319.96
Dr. Patel Metropolis Healthcare Private Limited	90.71	90.71
Raj Metropolis Healthcare Private Limited	30.37	30.37
Lab One Metropolis Healthcare Services Private Limited	278.31	278.31
Metropolis Bramser Lab Services (Mtius) Limited	0.06	0.06
Metropolis Healthcare Ghana Limited	41.76	41.76
Metropolis Healthcare (Mauritius) Limited	1.80	1.80
Metropolis Star Lab Kenya Limited	283.77	277.96
Amins Pathology Laboratory Private Limited	588.20	588.20
Ekopath Metropolis Lab Services Private Limited	44.04	44.04
Bokil Golwilkar Metropolis Healthcare Private Limited	147.55	147.55
Total	**9,034.79**	**7,855.08**

* Note : During the year,the Company has acquired Four Laboratories through a business purchase agreement (refer note : 44 (ix))

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.
Pre-tax risk adjusted discount rate	The discount rate applied to the cash flows of each of the Group's operations is generally based on the risk free rate for ten year bonds issued by the government in India. These rates are adjusted for a risk premium to reflect both the increased risk of investing in equities and the systematic risk of the Group.

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Pre tax risk adjusted discount rate	12.00%	12.50%
Terminal value growth rate	5.00%	6.00%
Budgeted EBITDA growth rate	5% - 15%	15-20%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

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

As at 31 March 2020, the estimated receivable amount of CGU exceeds its carrying amount and accordingly , no impairment was recognised.

The Group 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. EQUITY ACCOUNTED INVESTEES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Investment in joint ventures		
Metropolis Histoxpert Digital Services Private Limited 1,950,000 (31 March 2019: 6,500) Equity shares of Face value of ₹ 10 each (Fully paid up)	-	51.98
	-	**51.98**
Investment in Associates		
Star Metropolis Health Services Middle East LLC, Dubai 1,020 (31 March 2019: 1,020) Equity shares of AED of 1,000 each (Fully Paid up) (Refer note 46)	-	129.85
	-	**129.85**
Total value of investments	-	181.83
Less : Provision for impairment -Star Metropolis Health Services Middle East LLC, Dubai		(129.85)
Total	**-**	**51.98**

6. NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Unquoted equity shares at Fair Value through Other comprehensive income		
Centre for Digestive and Kidney Disease Private Limited 1,750,000 (31 March 2019: 1,750,000) Equity shares (Face value of ₹ 10 each fully paid up)	175.00	175.00
Textiles Traders Co-operative Bank Limited 1,100 (31 March 2019: 1,100) Equity shares (Face value of ₹ 25 each fully paid up)	0.28	0.28
Unquoted equity shares at cost		
Star Metropolis Health Services Middle East LLC, Dubai 1,020 (31 March 2019: 1,020) Equity shares of AED of 1,000 each (Fully Paid up) (Refer note 46)	129.85	-
Total	**305.12**	**175.28**
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai (Refer note 46)	129.85	-
Total Investment in Others	**175.28**	**175.28**
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of unquoted investments	305.12	175.28
Aggregate amount of impairment in value of investments	129.85	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

7. NON-CURRENT LOANS (UNSECURED,CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Security deposits	540.72	329.29
Other advances	5.97	91.36
	546.70	**420.65**
(Unsecured,considered doubtful)		
Security deposits		
- significant increase in credit risk	-	-
- credit impaired	86.28	61.08
	86.28	**61.08**
Less : Provision for advances having significant increase in credit risk	-	-
Less : Provision for advances which are credit impaired	(86.28)	(61.08)
Total	**546.70**	**420.65**

8. OTHER NON-CURRENT FINANCIAL ASSETS (UNSECURED,CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Fixed Deposits with banks^	1,165.34	1,019.90
Other advances	74.00	-
Total	**1,239.34**	**1,019.90**

^ Includes ₹ 1,106.78 Lakhs (31 March 2019: ₹ 1,009.40 Lakhs) of fixed deposits pledged against bank guarantee.

9. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Capital advances	602.51	131.84
Prepaid expenses	34.21	23.17
	636.72	**155.01**
(Unsecured,considered doubtful)		
Capital advances		
- significant increase in credit risk	-	-
- credit impaired	34.86	-
	34.86	**-**
Less : Provision for advances having significant increase in credit risk	-	-
Less : Provision for advances which are credit impaired	(34.86)	-
Total	**636.72**	**155.01**

10. NON-CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Advance taxes (net of provision for taxes - 31 March 2020: ₹ 15,092.93 Lakhs, 31 March 2019: ₹ 13,721.42 Lakhs)	1,593.19	745.06
Total	**1,593.19**	**745.06**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

11. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Raw materials (Reagents, chemicals, diagnostic kits, medicines and consumables)	2,428.23	2,604.97
Traded Goods	11.84	5.26
Total	**2,440.07**	**2,610.23**

12. CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
(Non-trade, Unquoted at Fair Value through Profit or Loss)		
Investments in mutual funds		
Birla Sun Life Cash Plus Growth - 7,473.38 (31 March 2019 - 7,473.38) Units of Face Value ₹ 100 each	23.74	22.35
Birla Sunlife Life Income Plus (Growth) - 192,079 (31 March 2019 - 192,079) Units of Face Value ₹ 100 each	173.04	155.92
BNP Paribas Bond Fund Growth - NIL (31 March 2019 - 12,29,791) Units of Face Value ₹ 10 each	-	285.54
BNP Paribas Short Term Income Fund - Growth - NIL (31 March 2019 - 107,428) Units of Face Value ₹ 100 each	-	22.86
DSP BlackRock Liquidity Fund- Growth - 12,642 (31 March 2019 - 30,547) Units of Face Value ₹ 1000 each	356.78	812.11
DSP - Low Duration Fund Reg (G) - NIL (31 March 2019 - 37,66,707) Units of Face Value ₹ 10 each	-	512.04
HDFC cash Management Fund Growth- 319 (31 March 2019 -319) Units of Face Value ₹ 10 each	13.31	12.39
HDFC High Interest Dynamic Plan - Growth -NIL (31 March 2019 - 123,045) Units of Face Value ₹ 100 each	-	74.24
ICICI Prudential Flexible Income Plan G- 30,895 (31 March 2019 - 92,546) Units of Face Value ₹ 100 each	119.67	331.99
ICICI Prudential Flexible Income - Daily Dividend - 52,818 (31 March 2019 - 3,17,096) Units of Face Value ₹ 100 each	204.59	335.42
ICICI P Saving Fund G - 37,239 (31 March 2019: Nil) Units of ₹ 100 each	144.25	-
IDFC Super Saver Income Fund - Investment Plan - Growth - 247,116 (31 March 2019 - 247,116) Units of Face Value ₹ 100 each	84.38	77.16
Kotak Bond Plan A (Growth) - 242,270 (31 March 2019 - 242,270) Units of Face Value ₹ 100 each	136.85	123.12
	1,256.61	**2,765.14**
(Non-trade, Unquoted at Fair Value through Other Comprehensive Income)		
ii) Investments in Commercial Papers		
Infrastructure Leasing & Financial Services Limited - 100 (31 March 2019 - 100) Units of Face Value ₹ 500,000 each	480.68	480.68
	480.68	**480.68**
Less : Provision for impairment	**(480.68)**	**(144.20)**
	-	336.48
Total	**1,256.61**	**3,101.62**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	1,737.29	3,245.83
Aggregate amount of impairment in value of investments	480.68	144.20

13. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Unsecured considered good*	12,824.78	13,684.78
Unsecured - significant increase in credit risk	-	-
Unsecured - credit impaired	6,170.73	2,707.38
	18,995.51	**16,392.16**
Less: Provision for debts having significant increase in credit risk	-	-
Less: Provision for debts which are credit impaired	(6,170.73)	(2,707.38)
Total	**12,824.78**	**13,684.78**

*It includes amount receivable from related parties [Refer note 42]

14. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Balances with banks		
- in current accounts	10,000.57	4,446.02
- in EEFC account	56.03	0.62
- in deposit accounts (with less than 3 months original maturity)	571.06	504.80
Cash on hand	89.76	185.66
Total	**10,717.42**	**5,137.10**

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Fixed deposits with original maturity of more than 3 months but less than 12 months of reporting date *^	10,329.70	2,886.83
Total	**10,329.70**	**2,886.83**

* Includes 31 March 2020: ₹ 943.13 Lakhs, (31 March 2019: ₹ 939.99) Lakhs pledged against bank guarantee.

^ Includes 31 March 2020: ₹ 759.38 Lakhs, (31 March 2019: ₹ 762.57) Lakhs fixed deposits under lien.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

16. CURRENT LOANS (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Security deposits	1,099.40	1,501.50
Other advances	18.67	8.65
	1,118.07	**1,510.15**
(Unsecured, considered doubtful)		
- significant increase in credit risk	-	-
- credit impaired	16.56	14.00
Advances to related parties (Refer note 42)		
- significant increase in credit risk	-	-
- credit impaired	44.02	86.35
Other advances		
- significant increase in credit risk	-	-
- credit impaired	46.16	3.83
	106.74	**104.18**
Less : Provision for advances having significant increase in credit risk	-	-
Less : Provision for advances which are credit impaired	(106.74)	(104.18)
Total	**1,118.07**	**1,510.15**

17. OTHER CURRENT FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Interest accrued but not due		
- From bank deposits	210.67	28.34
- From others	-	33.48
Other receivables *	6.43	781.49
Total	**217.10**	**843.31**

* It includes amount due from related parties (Refer 42)

18. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Advance to suppliers	98.56	107.87
Advance to employees	113.26	82.38
Other advances	343.85	113.57
Prepaid expenses	246.52	394.42
	802.19	**698.24**
(Unsecured, considered doubtful)		
Advance to suppliers	52.96	14.62
Advance to employees	43.80	3.90
Other advances	150.07	63.95
	246.83	**82.47**
Less : Provision for doubtful advances	(246.83)	(82.47)
Total	**802.19**	**698.24**

19. EQUITY SHARE CAPITAL

(a) Authorised share capital

	31 March 2020		31 March 2019	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
Equity shares of the par value of ₹ 2 each (31 March 2019 par value of ₹ 2 each)(refer note (h) below)	29,57,54,015	5,915.08	29,57,54,015	5,915.08
	29,57,54,015	**5,915.08**	**29,57,54,015**	**5,915.08**

(b) Issued, subscribed and paid up

	31 March 2020		31 March 2019	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
Equity shares of the par value of ₹ 2 each (31 March 2019 par value of ₹ 2 each)(refer note (h) below)	5,06,30,566	1,012.61	5,01,78,680	1,003.57
	5,06,30,566	**1,012.61**	**5,01,78,680**	**1,003.57**

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

Name of Shareholder	31 March 2020		31 March 2019	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
Equity :				
Outstanding at the beginning	5,01,78,680	1,003.57	95,43,646	954.36
Issued under Metropolis Employee Stock Option Scheme 2007 (Refer note 51 (c))	-	-	32,800	3.28
Issued under Metropolis Employee Stock Option Scheme 2015 (Refer note 51 (c))	4,51,886	9.04	-	-
Issued on exercise of share warrants [Refer note 55]	-	-	8,703	0.87
Issued to the Shareholders of Subsidiary Companies on acquisition of further stake (Refer note 44(i)(ii)(iii)(iv)(v)(vi)	-	-	64,596	6.46
Issued to the Shareholders of Bacchus Hospitality Services and Real Estate Private Limited pursuant to the scheme of amalgamation (Refer note 57 (b))	-	-	26,57,731	265.77
Cancellation of the old shares of Bacchus Hospitality Services and Real Estate Private Limited pursuant to the scheme of amalgamation (Refer note 57 (b))	-	-	(26,57,730)	-265.77
Issue of Bonus Shares (Refer note (g) below)	-	-	3,85,990	38.60
Outstanding before sub-division of shares	**5,06,30,566**	**1,012.61**	**1,00,35,736**	**1,003.57**
Adjustment for Sub-Division of Equity Shares (Refer below note (g) below)	-	-	4,01,42,944	-
Outstanding at the end	**5,06,30,566**	**1,012.61**	**5,01,78,680**	**1,003.57**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

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

Name of the shareholders	31 March 2020		31 March 2019	
	Number	Percentage	Number*	Percentage
Dr. Sushil Kanubhai Shah	37,25,245	7.36%	99,97,590	19.92%
CA Lotus Investments	71,79,579	14.18%	1,56,53,435	31.20%
Smallcap World Fund, Inc	27,80,746	5.49%	-	-
Metz Advisory LLP	1,56,91,216	30.99%	1,46,30,125	29.16%
Dr. Duru Sushil Shah	92,09,230	18.19%	92,09,230	18.35%

* Number of equity shares as on March 2019 are after adjusting sub-division of equity shares

(e) Terms/rights attached to equity shares :

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

- Issue of 3,85,990 (before spilt with face value of ₹ 10 each) bonus shares during the previous year ended 31 March 2019
- During the previous year ended 31 March 2019, 1 share (before split with face value of ₹ 10 each) has been allotted to the Shareholders of Bacchus Hospitality Services and Real Estate Private Limited pursuant to the scheme of amalgamation (Refer note 57 b))
- During the previous year ended 31 March, 2019, 64,596 shares (before split with face value of ₹ 10 each) have been allotted as consideration for swap of shares with the shareholders of subsidiary companies on acquisition of further stake Refer note 44(i)(ii)(iii)(iv)(v)(vi)(vii)(viii)(ix))
- Buy-back of 320,484 shares (before split with face value of ₹ 10 each) which was brought back pursuant to section 68 of the Companies Act, 2013 during the year ended 31 March 2016.

(g) Pursuant to Shareholder's resolution passed at the Extraordinary General Meeting (EGM) held on 14 September 2018, the Shareholders approved issuance of Bonus shares to the existing shareholders in the ratio of 1:25 i.e. one bonus equity shares for twenty five existing equity shares.

Further in the same meeting, the equity share capital (Authorized, Issued and Paid-up) of the Company was subdivided from ₹ 10/- (Rupees ten) each to equity shares of ₹ 2/- (Rupees two) each. The capital clause of the Memorandum of Association was substituted to reflect the sub-division of Equity Shares of the Company from ₹ 5,915.08 Lakhs comprising of 59,150,803 Equity Shares of ₹ 10 each to ₹ 5,915.08 Lakhs comprising of 295,754,015 Equity Shares of ₹ 2 each. The revised authorised share capital of the Company now stands at 295,754,015 equity shares of ₹ 2/- each.

(h) Change in authorised share capital : During the year ended 31 March 2019, the authorised share capital of the Company has increased as per clause 15 of the scheme of amalgamation as follows.(Refer note 57) for further details

	31 March 2020		31 March 2019	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
(i) Bacchus Hospitality Services and Real Estate Private Limited	-	-	28,30,803	283.08
(ii) Metropolis Healthcare (Chandigarh) Private Limited	-	-	10,000	1.00
(iii) Metropolis Healthcare (Jodhpur) Private Limited	-	-	10,000	1.00
(iv) Final Diagnosis Private Limited	-	-	9,50,000	95.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

	31 March 2020		31 March 2019	
	Number of equity shares	Amount (₹ in Lakhs)	Number of equity shares	Amount (₹ in Lakhs)
(v) Sanket Metropolis Health Services (India) Private Limited	-	-	2,50,000	25.00
(vi) Golwilkar Metropolis Health Services (India) Private Limited	-	-	1,00,000	10.00
(vi) Metropolis Healthcare Limited	29,57,54,015	5,915.08	5,50,00,000	5,500.00
	29,57,54,015	**5,915.08**	**5,91,50,803**	**5,915.08**
Impact of split from ₹ 10 per share to ₹ 2 per share	-	-	23,66,03,212	-
Total authorised share capital	**29,57,54,015**	**5,915.08**	**29,57,54,015**	**5,915.08**

20 OTHER EQUITY

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Securities premium	11,886.16	8,705.93
Capital redemption reserve	0.33	0.33
General reserve	1,875.08	1,750.98
Capital reserve	69.13	69.13
Employee stock options reserve	207.06	258.78
Retained earnings	37,158.66	29,832.43
Foreign currency translation reserve	140.58	232.69
Total	**51,337.00**	**40,850.27**
Movement in balances of Other equity:		
Securities Premium		
Balance as at the beginning of the year	8,705.93	5,831.61
Utlilised during the period pursuant to the scheme of Amalgamation with Bacchus Hospitality Services and Real Estate Private Limited (Refer note 57 (b))*	-	(0.00)^
Utilised on issue of bonus shares	-	(6.55)
Share options exercised under Metropolis Employee Stock Option Scheme 2007/2015 (Refer note 51 (c))	3,180.23	29.52
Share warrants exercised during the period (Refer note 55)	-	223.58
Shares issued to the Shareholders of Subsidiary Companies on acquisition of further stake (Refer note 44(i)(ii)(iii)(iv)(v)(vi)(vii)(viii)(ix)	-	2,627.77
Balance as at the end of the year	**11,886.16**	**8,705.93**

* As per the scheme of amalgamation, shares held by Bacchus Hospitality Services and Real Estate Private Limited in the Company are cancelled and any difference on cancellation of shares over the issue of new equity shares has been adjusted with Securities Premium arising, if any, on issue of new equity shares.

^ Amount is ₹ 10

Capital redemption reserve		
Balance as at the beginning of the year	0.33	32.37
Utilised on issue of bonus shares	-	(32.04)
Balance as at the end of the year	**0.33**	**0.33**
General reserve		
Balance as at the beginning and at the end of the year	1,750.98	1,750.98
Transfer from ESOP exercised during the year (Refer Note 51c)	124.10	-
Balance as at the end of the year	**1,875.08**	**1,750.98**
Capital reserve		
Balance as at the beginning and at the end of the year	69.13	69.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Employee stock options reserve		
Balance as at the beginning of the year	258.78	170.34
Transfer to General Reserve on account of ESOP exercised during the year (Refer Note 51c)	(124.10)	-
Share based payments (Refer note 33)	72.38	88.44
Balance as at the end of the year	**207.06**	**258.78**
Retained Earnings		
Balance as at the beginning of the year	29,832.43	32,524.04
Transferred from statement of profit and loss	12,732.56	12,014.79
Transition impact of Ind AS 116, net of tax (Refer note 40)	(358.82)	-
Interim dividend paid	(4,014.29)	(6,653.69)
Tax on dividend distributed	(825.15)	(1,655.46)
Acquisition of stake from NCI(Refer note 44(i)(ii)(iii)(iv)(v)(vi)(vii)(viii))	-	(6,446.07)
Other comprehensive income	(208.07)	48.82
Balance as at the end of the year	**37,158.66**	**29,832.43**
Other comprehensive Income-		
(i) Foreign currency translation reserve		
Balance as at the beginning of the year	232.69	143.37
Exchange differences in translating financial statements of foreign operations	(92.11)	89.32
Balance as at the end of the year	**140.58**	**232.69**
(ii) Debt instruments fair valued through other comprehensive income		
Balance as at the beginning and end of the year	-	0.27
Movement during the year	-	(0.27)
Balance as at the end of the year	**-**	**-**

Nature and purpose of reserves

Securities Premium

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

Capital redemption reserve

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

General reserve

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

Capital reserve

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

Employee stock options reserve

The Group has established equity settled share based payment plan for certain categories of employees. (Refer note 51 (c))

Retained Earnings

Retained earnings are the profits that the Group 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 Group.

Foreign currency translation reserve

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

Debt instruments fair valued through OCI

This comprises changes in the fair value of debt instruments recognised in other comprehensive income and accumulated within equity. The Group transfers amounts from such component of equity to retained earnings when the relevant debt instruments are derecognised.

21. NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Secured loan		
From Banks	-	3.51
- Vehicle loans (Refer note 21.1 and note 26)		
Total	**-**	**3.51**

21.1 Terms of borrowings:

Vehicle loan

(i) Vehicle Loan of ₹ Nil as at 31 March 2020 (31 March 2019: 2.53 Lakhs) is from HDFC bank carrying an interest rate of 8.51% The loan is repayable in 36 monthly installments along with interest, from the date of loan i.e. 5 April 2017. The end date of the loan is 5 March 2020 and the loan is secured way of hypothecation of the respective vehicle.

(ii) Vehicle Loan of ₹ 3.51 Lakhs (31 March 2019: ₹ 17.53 Lakhs) is from HDFC bank carrying an interest rate of 9.63% The loan is repayable in 60 monthly installments along with interest, from the date of loan i.e. 5 July 2015. The end date of the loan is 5 June 2020 and the loan is secured way of hypothecation of the vehicle.

22. OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Deferred purchase consideration payable (Refer note 44(viii)(ix))	467.81	208.89
	467.81	**208.89**

23. NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Non-Current		
Provision for employee benefits		
Gratuity (Refer note 51 (a))	541.40	316.08
(A)	**541.40**	**316.08**
Current		
Provision for employee benefits		
Gratuity (Refer note 51 (a))	600.62	454.99
Leave entitlement	59.29	33.10
(B)	**659.91**	**488.09**
Total (A)+(B)	**1,201.31**	**804.18**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

24. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Secured Loan		
Cash Credit (Refer Note (iii) below)	-	1,734.47
Unsecured loan		
From directors of subsidiary companies (Refer Note (i) below)	-	3.01
From others (Refer Note (ii) below)	-	20.38
Total	**-**	**1,757.86**

Terms of borrowings:

i) From Directors and Shareholders

Interest free loan taken by subsidiary companies from their directors/ shareholders are repayable on demand.

ii) From Others

Interest free loan taken by a subsidiary company from Interaf S.A. Ltd is repayable on demand.

iii) From Cash Credit

In Previous year, Company had availed cash credit facility from HDFC Bank Limited, which was secured by charge over stock in trade and book debts of the Company and interest was chargeable as approved by HDFC Bank Limited which was 9.75%.

25. TRADE PAYABLES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Trade payables		
Total outstanding due to micro and small enterprises (Refer note 25.1)	724.72	3.87
Total outstanding dues of creditors other than micro enterprises and small enterprises*	7,778.68	4,281.05
Total	**8,503.40**	**4,284.92**

* Trade payables include amount payable to companies where Director of the Company is a director (Refer note 42).

25.1 Micro and small enterprises

There are some micro and small enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at 31 March 2020. 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 Group.

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
a. Principal amount remaining unpaid to any supplier as at the year end	724.72	-
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)	18.85	-
e. Amount of Interest accrued and remaining unpaid at the end of the accounting year.	32.49	-
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	-	-

26. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Current maturities of long-term borrowings		
- Vehicle loans (Refer note 21)	3.51	16.55
Accrued expenses	-	1,055.23
Interest accrued and due on borrowings	-	0.12
Capital creditors	1,009.18	784.34
Employee related dues	1,351.72	1,552.80
Security deposits	105.57	111.97
Deferred purchase consideration payable (Refer note 44(viii)(ix))	878.09	625.04
Other liabilities	93.37	37.44
Total	**3,441.44**	**4,183.49**

27. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Statutory dues#	1,457.17	424.33
Advances from Customers	366.22	379.52
Other Payable**	57.76	-
Total	**1,881.15**	**803.85**

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

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

28. CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Provision for taxation (net of advance tax -31 March 2020: ₹ 4,071.82 Lakhs ,31 March 2019: ₹ 11,688.05 Lakhs)	373.17	930.43
Total	**373.17**	**930.43**

29. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Service income (Refer Note 50)	85,584.83	76,005.59
Other Operating revenue		
Sundry balances written back	55.71	112.59
Total	**85,640.54**	**76,118.18**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

30. OTHER INCOME

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Interest		
- from banks	527.65	170.22
- on income tax refund	0.58	2.04
- on investments	-	134.77
- on term loans	12.65	14.32
- others	49.08	25.19
Dividend		
- from mutual fund	21.46	96.24
Fair value gain on mutual funds measured at FVTPL	90.07	330.59
Profit on sale of property, plant and equipment (net)	-	3.66
Foreign exchange gain (net)	55.09	20.71
Miscellaneous income	100.08	23.58
Total	**856.66**	**821.32**

31. COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Opening stock (Refer note 11)	2,610.23	2,118.72
Add: Purchase of traded goods	49.56	23.77
Add: Purchases of raw materials during the year	20,193.78	17,818.76
	22,853.57	19,961.25
Less: Closing stock (Refer note 11)	(2,440.07)	(2,610.23)
Total	**20,413.50**	**17,351.02**

32. LABORATORY TESTING CHARGES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Laboratory testing charges	688.99	557.17
Total	**688.99**	**557.17**

33. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Salaries, wages and bonus	17,256.01	15,594.05
Gratuity expenses (Refer note 51 (a))	166.98	164.60
Contribution to provident and other funds (Refer note 51 (b))	849.38	818.18
Share based payment expenses (Refer note 51 (c))*	72.38	443.89
Staff welfare expenses	670.87	599.99
Total	**19,015.62**	**17,620.71**

"*During the year ended 31 March 2020, total expense of ₹ 72.38 Lakhs including reversal due to lapsed option amounting to ₹ 16.05 Lakhs arising under MESOS 2015 scheme is recognised through employee stock option reserve.

During the previous year ended 31 March 2019, out of total expense of ₹ 443.89 Lakhs, expense of ₹ 88.44 Lakhs arising under MESOS 2015 scheme is recognised through employee stock option reserve and expense of ₹ 355.45 Lakhs arising from buyout of 9,875 options against cash is directly recognised in the statement of profit and loss.

34. FINANCE COSTS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Interest on short term loan	52.64	12.98
Interest on deferred purchase consideration measured at amortized cost (Refer note(viii)(ix))	59.50	40.13
Interest on lease liabilities (Refer note 40)	722.33	-
Total	**834.47**	**53.11**

35. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Depreciation on Property, Plant and Equipment (Refer note 3)	1,856.17	1,669.48
Amortisation of intangible assets (Refer note 4)	439.95	337.13
Amortisation on ROU (Refer note 40)	1,630.60	-
Total	**3,926.72**	**2,006.61**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

36. OTHER EXPENSES

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Accreditation expenses	127.32	98.31
Laboratory expenses	120.25	140.80
Power and fuel	1,248.56	1,100.03
Rent (Refer note 40)	5,529.48	5,780.78
Repairs and maintenance		
Buildings	75.74	69.36
Plant and equipment	946.71	711.07
Others	291.99	347.73
Insurance	158.59	144.13
Rates and taxes	772.67	803.14
Bank charges	430.84	358.81
Sample Collection Charges	184.26	155.63
Legal and professional*	3,445.25	3,324.72
Travelling and conveyance	1,124.23	1,142.97
Printing and stationery	529.62	683.23
Provision for bad and doubtful debts (net)	1,383.82	508.15
Provision for doubtful advances (net)	246.81	3.84
Provision for impairment of current investments	-	144.20
Credit impaired trade receivables written off	-	24.43
Postage and courier	2,773.81	2,162.11
Communication	471.69	421.31
Advertisement and sales promotion expenses	1,126.28	1,434.93
Facility maintenance charges	454.72	386.83
Loss on sale of debt instrument measured at FVOCI	-	3.79
Loss on sale of property, plant and equipment	60.01	0.61
Payments to auditors (Refer note 49)	133.37	108.66
Donation	1.22	3.33
Corporate social responsibility expenses (Refer note 53)	76.97	79.45
Directors' sitting fee & commission (Refer note 42)	56.06	41.40
Office Expenses	1.56	33.64
Sundry balance written off	-	0.05
Miscellaneous expenses	468.12	335.24
Total	**22,239.95**	**20,552.68**

* includes merger related expenses of ₹ Nil Lakhs (31 March 2019: ₹ 131.00 Lakhs)

37. EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Provision for impairment of current investments (Refer Note 1)	336.48	-
Provision for bad and doubtful debts (net) (Refer Note 2 & 3)	2116.18	-
	2,452.66	**-**

Notes:

Exceptional items are those which are considered for separate disclosure in the financial statements considering their size, nature or incidence. Such items included within the statement of profit and loss are detailed below:

1 Provision for impairment of investment in securities of Infrastructure Leasing & Financial Services (IL&FS) aggregating to ₹ 336.48 Lakhs.

2 There has been a prolonged dispute in relation to trade receivables from a party towards lab management services rendered by the Company and the matter has been under arbitration. In view of the delay, the Company, on a prudent basis, has made provision aggregating ₹ 1,766 Lakhs against the above mentioned disputed trade receivables and this has been disclosed as an exceptional item.

3 Provision for ₹ 350.00 Lakhs on account of certain old unreconciled balances.

38. TAXATION

i. Income Tax expense

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Current tax expense		
Current year	5,326.98	6,309.03
Tax adjustments for earlier years	(289.56)	-
Total current tax	**5,037.42**	**6,309.03**
Deferred tax expense		
Relating to addition & reversal of temporary differences	(765.12)	(14.97)
Relating to change in tax rate*	(154.21)	(0.16)
Total deferred tax	**(919.33)**	**(15.13)**
Total tax expense	**4,118.09**	**6,293.90**

* Effective Income tax rate applicable to the Group for FY 2019-20 has changed on account of decrease in tax rate to 22% w.e.f. 1 April 2019. Accordingly the deferred tax rate applicable for FY 2018-19 has been changed.;

On 20 September 2019, the Government has brought in the Taxation Laws (Amendment) Ordinance 2019 to make certain amendments in Income-tax Act 1961 (the Act) and the Finance (No.2) Act 2019.

A New section 115BAA has been introduced with effect from Financial Year (FY) 2019-20 (AY 2020-21) to provide an option for a concessional tax at the rate of 22% in the case of domestic Company.

The Company have elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

ii. Tax charge recognised directly to Other Comprehensive Income

(₹ in Lakhs)

Particulars	31 March 2020		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	(278.02)	69.98	(208.04)
Items that will subsequently be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	(92.11)	-	(92.11)
Total tax charge recognized directly to Other Comprehensive Income	**(370.13)**	**69.98**	**(300.15)**

(₹ in Lakhs)

Particulars	31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	74.50	(24.54)	49.96
Items that will subsequently be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations	89.32	-	89.32
Total tax charge recognized directly to Other Comprehensive Income	**163.82**	**(24.54)**	**139.28**

iii. Reconciliation of estimated income tax to income tax expense is as below:

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Profit before tax	**16,873.31**	**18,655.18**
Income tax expense at tax rates applicable to individual entities	4,887.75	6,738.25
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Expenses not allowed under Income tax	34.61	46.78
Income not subject to tax	(565.53)	(495.42)
Income taxable at a different rate	(26.72)	(38.83)
Tax adjustment of earlier years	(289.56)	-
Others	77.52	43.12
Total tax expense	**4,118.09**	**6,293.90**
Total tax expense as per statement of profit and loss	**4,118.09**	**6,293.90**

iv. **Movement in deferred tax balances**

As at 31 March 2020

(₹ in Lakhs)

Particulars	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Recognized in Retained Earnings	Business Combination*	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(1,368.52)	198.92	-	-	(27.50)	(1,197.10)	(960.71)	(236.39)
Current investments	1.03	87.38	-	-	-	88.41	91.45	(3.04)
Provision for bad and doubtful debts	994.92	692.29	-	-	-	1,687.21	1,660.94	26.27
Provision for bad and doubtful advances / deposits	1.34	0.16	-	-	-	1.50	1.50	-
Provision for employee benefits	350.20	(58.65)	69.98	-	-	361.53	329.17	32.36
Transistion impact of Ind AS -116	-	6.40		179.79	-	186.19	178.21	7.98
Share based payments	82.72	(30.60)	-	-	-	52.12	52.12	
Others	14.00	23.43	-	-	-	37.43	37.43	-
Tax Assets (Liabilities)	**75.69**	**919.33**	**69.98**	**179.79**	**(27.50)**	**1,217.29**	**1,390.11**	**(172.82)**

* During the year, the Company through its direct subsidiary Desai Metropolis Health Services Pvt Ltd acquired laboratories through a business purchase agreement and hence deferred tax impact has been recognized (Refer note 44 (ix))

As at 31 March 2019

(₹ in Lakhs)

Particulars	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(988.54)	(379.98)	-	(1,368.52)	99.78	(1,468.30)
Current investments	(78.93)	79.96	-	1.03	(47.68)	48.71
Provision for bad and doubtful debts	763.15	231.77	-	994.92	183.71	811.21
Provision for bad and doubtful advances / deposits	0.28	1.06	-	1.34	1.34	-
Provision for employee benefits	317.52	57.22	(24.54)	350.20	131.37	218.83
Mat credit entitlement	-	-	-	-	-	-
Share based payments	59.52	23.20	-	82.72	-	82.72
Others	12.10	1.90	-	14.00	(2.82)	16.81
Tax Assets (Liabilities)	**85.10**	**15.13**	**(24.54)**	**75.69**	**365.71**	**(290.02)**

The Group 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.

Further, the Group has been substantially availing the tax credit and believes that it would continue to avail the tax credit, for the dividend distribution tax payable by the subsidiaries on its dividend distribution.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

39. EARNINGS PER SHARE

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

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

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
i. Profit attributable to equity holders (₹ in Lakhs)		
Profit attributable to equity holders for basic and diluted EPS	12,732.56	12,014.79
ii. Weighted average number of shares for calculating basic	**5,02,10,869**	**4,99,30,454**
iii. Effect of dilution		
Share options and warrants	2,21,425	99,432
Weighted average number of shares for calculating diluted EPS	**5,04,32,294**	**5,00,29,886**
iv. Basic earnings per share (₹)	**25.36**	**24.06**
v. Diluted earnings per share (₹)	**25.25**	**24.02**

Note:

Pursuant to Shareholder's resolution passed at the Extraordinary General Meeting (EGM) held on September 14, 2018, the Shareholders approved issuance of Bonus shares to the existing shareholders in the ratio of 1:25 i.e. one bonus equity shares for twenty five existing equity shares. Further in the same meeting, the equity share capital (Authorized, Issued and Paid-up) of the Company was subdivided from ₹ 10/- (Rupees ten) each to equity shares of ₹ 2/- (Rupees two) each. the exercise price and the outstanding employee stock options would be adjusted proportionately.

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.

40. LEASES

Operating lease obligations

The Group has taken various commercial properties on leases for its offices, laboratories and staff accommodation. The lease expenses in the March 2019 to ₹ 5,780.78 Lakhs. Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ in Lakhs)

Particulars	31 March 2019
Not later than one year	815.29
Later than one year but not later than five years	1642.19
Later than five years	-
Total	**2457.48**

Disclosure on Ind-As 116 Leases

i. Transition

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 5,230.88 Lakhs and a lease liability of ₹ 5,633.69 Lakhs. The cumulative effect of applying the standard of ₹ 358.82 Lakhs was debited to retained earnings, net of taxes and prepaid rent. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

ii. The following is the summary of practical expedients elected on initial application:

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b. 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 ₹ 5 Lakhs in entire tenure of arrangement

c. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

d. 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.

iii. The effect of depreciation and interest related to Right Of Use Asset and Lease Liability are reflected in the Statement of Profit and Loss under the heading "Depreciation and Amortisation Expense" and "Finance costs" respectively under Note No 35 and 34.

iv. The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 9.20% - 10.10%.

v. The difference between the lease obligation recorded as at 31 March 2019 under Ind AS 17 (disclosed under Note 49) and the value of the lease liability as at 1 April 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

vi. Following are the changes in the carrying value of right of use assets for the year ended 31 March 2020:

(₹ in Lakhs)

Particulars	Category of ROU		Total
	Office Space	Pateint Service Center/Lab or Both	
Balance as of 1 April 2019	1,836.42	3,394.46	5,230.88
Additions	600.73	1,764.91	2,365.65
Depreciation	(655.32)	(975.28)	(1,630.60)
Balance as of 31 March 2020	**1,781.83**	**4,184.09**	**5,965.92**

vii. The following is the break-up of current and non-current lease liabilities as of 31 March 2020:

(₹ in Lakhs)

Particulars	31 March 2020
Current Lease liabilities	2,088.89
Non-current lease liabilities	4,577.81
Total	**6,666.70**

viii. The following is the movement in lease liabilities for the year ended 31 March 2020:

(₹ in Lakhs)

Particulars	31 March 2019
Balance as of 1 April 2019	5,633.69
Additions	2,365.65
Finance cost accrued during the year	722.33
Payment of lease liabilities	(2,054.97)
Balance as of 31 March 2020	**6,666.70**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

ix. The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2020 on an undiscounted basis:

(₹ in Lakhs)

Particulars	31 March 2020
Less than one year	2,094.93
One to five years	5,437.96
More than 5 years	1,032.55
Total	**8,565.44**

x. Impact of adoption of Ind AS 116 for the year ended 31 March 2020 is as follows:

(₹ in Lakhs)

Particulars	31 March 2020
Decrease in Other expenses by	2,054.97
Increase in Finance cost by	722.33
Increase in Depreciation by (excludes depreciation on reclassified assets)	1,577.79
Net Impact on (Profit)/Loss	**245.15**

xi. Reconciliation between operating lease commitments disclosed in financials as at 31 March 2019 applying Ind AS 17 and lease liabilities recognised in the statement of financial position as at 1 April 2019 i.e date of initial application.

(₹ in Lakhs)

Particulars	Amount
Opening Balance of Operating Lease	2,457.48
Add: Additional lease commitment based on expected extension of lease term	3,176.21
Lease liabilities as at 1 April 2019	**5,633.69**

xii. The Group 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.

xiii. Rental expense recorded for short-term leases / Variable lease/ low value leases was ₹ 5,529.48 Lakhs for the year ended 31 March 2020.

xiv. The total cash outflow for leases for year ended 31 March 2020 is ₹ 2,054.97 Lakhs

41. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

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.

(₹ in Lakhs)

Particulars	As at 31 March 2020							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current Financial assets								
Non-current investments - Unquoted equity instruments in others**	-	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(₹ in Lakhs)

Particulars	As at 31 March 2020							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current Loans- Security Deposits	-	-	540.72	540.72	-	-	-	-
Other Non-current Loans	-	-	5.98	5.98	-	-	-	-
Other non current financial assets	-	-	1,239.34	1,239.34	-	-	-	-
Current Financial assets								
Investment in mutual funds	1,256.61	-	-	1,256.61	-	1,256.61	-	1,256.61
Trade receivables	-	-	12,824.78	12,824.78	-	-	-	-
Cash and cash equivalents	-	-	10,717.42	10,717.42	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	10,329.70	10,329.70	-	-	-	-
Current loans	-	-	1,118.07	1,118.07	-	-	-	-
Other current financial assets	-	-	217.10	217.10	-	-	-	-
	1,256.61	**-**	**36,993.11**	**38,249.72**	**-**	**1,256.61**	**-**	**1,256.61**
Non-current Financial liabilities								
Other non-current financial liabilities	-	-	467.81	467.81	-	-	-	-
Lease Liabilities	-	-	4,577.81	4,577.81	-	-	4,577.81	4,577.81
Current Financial liabilities								
Trade payables	-	-	8,503.40	8,503.40	-	-	-	-
Other current financial liabilities	-	-	3,441.44	3,441.44	-	-	-	-
Lease Liabilities	-	-	2,088.89	2,088.89	-	-	2,088.89	2,088.89
	-	**-**	**19,079.35**	**19,079.35**	**-**	**-**	**6,666.70**	**6,666.70**

(₹ in Lakhs)

Particulars	As at 31 March 2019							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current Financial assets								
"Non-current investments - Unquoted equity instruments in others**"	-	-	-	-	-	-	-	-
Non-current Loans- Security Deposits	-	-	329.29	329.29	-	-	-	-
Other Non-current Loans	-	-	91.37	91.37	-	-	-	-
Other non current financial assets	-	-	1,019.90	1,019.90	-	-	-	-
Current Financial assets								
Investment in mutual funds	2,765.14	-	-	2,765.14	-	2,765.14	-	2,765.14

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(₹ in Lakhs)

Particulars	As at 31 March 2019							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Investment in Commercial Papers	-	-	-	-	-	-	-	-
Trade receivables	-	-	13,684.78	13,684.78	-	-	-	-
Cash and cash equivalents	-	-	5,137.10	5,137.10	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	-	2,886.83	2,886.83	-	-	-	-
Current loans	-	-	1,510.15	1,510.15	-	-	-	-
Other current financial assets	-	-	843.31	843.31	-	-	-	-
	2,765.14	**-**	**25,502.72**	**28,267.86**	**-**	**2,765.14**	**-**	**2,765.14**
Non-current Financial liabilities								
Borrowings	-	-	3.51	3.51	-	-	-	-
Other non-current financial liabilities	-	-	208.89	208.89	-	-	-	-
Current Financial liabilities								
Borrowings	-	-	1,757.86	1,757.86	-	-	-	-
Trade payables	-	-	4,284.92	4,284.92	-	-	-	-
Other current financial liabilities	-	-	4,183.49	4,183.49	-	-	-	-
	-	**-**	**10,438.68**	**10,438.68**	**-**	**-**	**-**	**-**

** The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Group has currently measured them at cost, i.e. ₹ 175.28 Lakhs (31 March 2019: ₹ 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 Group 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.

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 maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

Financial instruments measured at fair value

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

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

Transfers between Levels

There have been no transfers between levels during the reporting year.

Sensitivity analysis

	31 March 2020		31 March 2019	
	Impact in P&L (Net of tax) due to change in discount rate			
	Increase	Decrease	Increase	Decrease
Lease Liabilities				
Movement in Interest on lease liability - Discount rate (9.67%) + / - 100 basis points	(66.67)	66.67	-	-

Financial risk management

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

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

- Credit risk

- Liquidity risk

- Market risk

(i) Credit risk

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

a. Trade receivables

The Group'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 Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

The Company does not have any significant concentration of credit risk. Further, company has One customer (31 March 2019: Two Customers) which accounts for 10% or more of the total trade receivables at each reporting date.

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

The movement in the provision for debts having significant increase in credit risk and which are credit impaired for the year ended 31st March 2020 and year ended 31 march 2019 is as follows

Particulars	Amount ₹ Lakhs
Balance as at 1 April 2018	**2,199.23**
Movement during the year	508.15
Balance as at 31 March 2019	**2,707.38**
Movement during the year	3,463.35
Balance as at 31 March 2020	**6,170.73**

b. Cash and cash equivalents and Other bank balances

The Group held cash and cash equivalents and other bank balances of 22,122.70 Lakhs at 31 March 2020 (31 March 2019: ₹ 8,858.16 Lakhs). The cash and cash equivalents are held with bank with good credit ratings.

c. Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group 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 Group 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 Group does not expect significant impairment losses on its current profile of outstanding advances. The advances which have defaulted in the past is mainly on account of uncontrollable adverse local market conditions which has diluted parties credit worthiness.

The movement in the provision for advances having significant increase in credit risk and which are credit impaired for the year ended 31 March 2020:

Particulars	Amount ₹ Lakhs
Balance as at 1 April 2018	**161.42**
Movement during the year	3.84
Balance as at 31 March 2019	**165.26**
Movement during the year	309.45
Balance as at 31 March 2020	**474.71**

(ii) Liquidity risk

Liquidity risk is the risk that the Group 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 Group'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, without incurring unacceptable losses or risking damage to the Group's reputation.

Maturities of financial liabilities

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

(₹ in Lakhs)

As at 31 March, 2020	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 acquisition of business	1,345.90	1,441.00	874.00	567.00	-	-
Borrowings	3.51	3.51	3.51	-	-	-
Interest payable on borrowings	-	0.06	0.06	-	-	-
Trade payables	8,503.40	8,503.40	8,503.40	-	-	-
Other current financial liabilities	2,559.84	2,559.84	2,559.84	-	-	-
Total	**12,412.65**	**12,507.81**	**11,940.81**	**567.00**	**-**	**-**

(₹ in Lakhs)

As at March 31, 2019	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 acquisition of business	833.93	879.25	617.25	242.00	20.00	-
Non-current Borrowings	20.07	20.06	16.55	3.51	-	-
Interest payable on borrowings	-	1.29	1.23	0.06	-	-
Current borrowings	1,757.86	1,757.86	1,757.86	-	-	-
Trade payables	4,284.92	4,284.92	4,284.92	-	-	-
Other current financial liabilities	3,541.90	3,541.90	3,541.90	-	-	-
Total	**10,438.68**	**10,485.29**	**10,219.72**	**245.57**	**20.00**	**-**

The outflows disclosed in the above table represent the total contractual undiscounted cash flows, which also includes total interest payables on borrowings.

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The Group 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 our 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 Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk.

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

The currency profile of financial assets and financial liabilities as at 31 March 2020 and 31 March 2019 are as below:

(₹ in Lakhs)

As at 31 March, 2020	SGD	EUR	GBP	USD	OMR
Financial assets (A)					
Trade and other receivables	-	-	-	361.97	40.85
Advance given	13.25	0.28	0.42	28.90	-
Financial liabilities (B)					
Trade and other payables	-	-	0.32	3.16	-
Advance taken	-	-	-	13.55	6.32
Net exposure (A - B)	**13.25**	**0.28**	**0.10**	**374.17**	**34.52**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(₹ in Lakhs)

As at March 31, 2019	USD	OMR
Financial assets (A)		
Trade and other receivables	399.14	39.13
Financial liabilities (B)		
Advance taken	12.44	6.59
Net exposure (A - B)	**386.70**	**32.54**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at 31 March 2020 and 31 March 2019 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.

Effect in INR	31 March 2020		31 March 2019	
	Strengthening	Weakening	Strengthening	Weakening
3% movement				
USD	(11.22)	11.22	(11.60)	11.60
SGD	(0.40)	0.40	-	-
GBP	(0.00)	(0.00)	-	-
OMR	(1.04)	1.04	(0.98)	0.98
EUR	(0.00)	0.00	(0.00)	(0.00)
	(12.66)	**12.66**	**(12.58)**	**12.58**

"0" denotes amount below ₹ 500

(b) Interest rate risk

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

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

(₹ in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed-rate instruments		
Financial assets	12,588.76	5,948.80
Financial liabilities	(1,345.90)	(2,568.40)
	11,242.86	**3,380.40**
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(6,670.21)	(20.07)
	(6,670.21)	**(20.07)**
Total	**4,572.65**	**3,360.34**

Cash flow sensitivity analysis for variable-rate instruments

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

(₹ in Lakhs)

INR	Profit or loss	
	100 bp increase	100 bp decrease
For the year ended 31 March 2020		
Variable-rate instruments	(66.70)	66.70
Cash flow sensitivity (net)	(66.70)	66.70
For the year ended 31 March 2019		
Variable-rate instruments	(0.20)	0.20
Cash flow sensitivity (net)	(0.20)	0.20

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

(iv) Capital management

The objective of the Group'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 Group 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 Group is not subject to any externally imposed capital requirements.

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

A. Relationships –

Category I: Subsidiaries:

Metropolis Histoxpert Digital Services Private Limited

Category II: Associates:

Star Metropolis Health Services Middle East LLC, Dubai (upto 31 March 2019)

Category III: Key Management Personnel (KMP)

Dr. Sushil Kanubhai Shah, Chairman and Executive Director

Ms. Ameera Sushil Shah, Managing Director

Mr Vijender Singh, Chief Executive Officer

Mr Rakesh Agarwal, Chief Financial Officer (w.e.f. 11 November 2019)

Ms. Poonam Tanwani, Company Secretary (w.e.f. 10 February 2020)

Mr Tushar Karnik, Chief Financial Officer (upto 11 November 2019)

Mr Jayant Prakash, Company Secretary (upto 30 November 2019)

Mr. Mihir Jagdish Doshi, Non-Executive Director (upto 31 March 2020)

Mr. Milind Shripad Sarwate, Independent Director

Mr. Vivek Gambhir, Independent Director

Mr. Sanjay Bhatnagar, Independent Director

Category IV: Relatives of KMP

Dr. Duru Sushil Shah

Mr. Hemant Sachdev

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

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

Metz Advisory LLP

Metropolis Health Products Retail Private Limited

Chogori Distribution Private Limited

Centre for Digestive and Kidney Disease (India) Private Limited (upto 6 August, 2019)

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

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
1) Services rendered		
Joint Ventures		
Metropolis Histoxpert Digital Services Private Limited	17.89	5.55
Relatives of KMP		
Dr. Duru Sushil Shah	13.19	17.02
Other related parties		
Centre for Digestive and Kidney Disease (India) Private Limited #	300.12	903.48
2) Rent paid		
Key Management Personnel		
Dr. Sushil Kanubhai Shah	99.48	102.91
3) Compensation paid to Key Management Personnel		
Short-term employee benefits^	962.84	1,159.27
Post employement benefit	21.52	21.16
Share-based payments expense	5.09	38.27
(^As gratuity expense is based on actuarial valuation, the same cannot be computed for individual employees. Hence not disclosed separately.)		
4) Dividend paid		
Key Management Personnel		
Dr Sushil Kanubhai Shah	298.02	1,325.68
Ameera Sushil Shah	14.55	24.11
Metz Advisory LLP	1,255.30	1,939.95
Relatives of KMP		
Dr Duru Sushil Shah	736.74	1,221.14
5) Director sitting fees and Commission		
Dr Duru Sushil Shah	-	0.15
Mr. Mihir Jagdish Doshi	8.50	15.75
Mr. Milind Shripad Sarwate	18.77	7.25
Mr. Vivek Gambhir	17.52	8.75
Mr. Rajiv Devinder Sahney	-	5.00
Mr. Sanjay Bhatnagar	11.27	4.50
6) Advance paid		
Chogori Distribution Private Limited	-	12.00
7) Investments made		
Metropolis Histoxpert Digital Services Private Limited	-	194.35

Excluded from related party after resignation of Dr. Sushil Shah from directorship of the said Company on August 6, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

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

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
1) (a) Trade payables		
Other related parties		
Metropolis Health Products Retail Private Limited	1.87	1.87
(b) Other Payable		
Dr. Sushil Kanubhai Shah*	19.86	-
(c) Director Sitting Fees		
Mr. Vivek Gambhir	1.00	-
2) Trade receivables		
Joint Ventures		
Metropolis Histoxpert Digital Services Private Limited	10.03	4.93
Associates		
Star Metropolis Health Services Middle East LLC, Dubai**	-	598.54
Relatives of KMP		
Dr. Duru Sushil Shah	2.45	2.84
Other related parties		
Metropolis Health Products Retail Private Limited	41.05	41.05
Centre for Digestive and Kidney Disease (India) Private Limited	-	2,082.19
3) Loans and advances including interest accrued		
Associates		
Star Metropolis Health Services Middle East LLC, Dubai**	-	42.35
Other related parties		
Metropolis Health Products Retail Private Limited	44.00	44.00
4) Provision for dimunition in value of investments		
Associates		
Star Metropolis Health Services Middle East LLC, Dubai**	-	129.85
5) Provision for doubtful trade receivables		
Associates		
Star Metropolis Health Services Middle East LLC, Dubai**	-	598.54
Other related parties		
Metropolis Health Products Retail Private Limited	41.05	41.05
6) Provision for doubtful advances		
Associates	-	12.00
Star Metropolis Health Services Middle East LLC, Dubai**	-	42.35
Other related parties		
Metropolis Health Products Retail Private Limited	44.00	44.00
7) Other Receivable		
Dr. Sushil Kanubhai Shah	-	383.35

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

** Star Metropolis Health Services Middle East LLC, Dubai is no longer associate. [refer note 54]

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

43. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

(a) The list of subsidiary companies included in the consolidated financial statements are as under;

(₹ in Lakhs)

Name of the subsidiary	Country of incorporation	Proportion of ownership interest	
		As at 31 March 2020	As at 31 March 2019
Sudharma Metropolis Health Services Private Limited	India	100.00%	100.00%
Bokil Golwilkar Metropolis Healthcare Private Limited	India	100.00%	100.00%
Raj Metropolis Healthcare Private Limited	India	51.00%	51.00%
Desai Metropolis Health Services Private Limited	India	100.00%	100.00%
R.V. Metropolis Diagnostics & Healthcare Centre Private Limited	India	100.00%	100.00%
Micron Metropolis Healthcare Private Limited	India	100.00%	100.00%
Dr. Patel Metropolis Healthcare Private Limited	India	100.00%	100.00%
Lab One Metropolis Healthcare Services Private Limited	India	100.00%	100.00%
Amins Pathology Laboratory Private Limited	India	100.00%	100.00%
Ekopath Metropolis Lab Services Private Limited	India	60.00%	60.00%
Metropolis Healthcare (Mauritius) Limited	Mauritius	100.00%	100.00%
Metropolis Star Lab Kenya Limited	Kenya	100.00%	100.00%
Metropolis Healthcare Ghana Limited	Ghana	100.00%	100.00%
Metropolis Healthcare Lanka Private Limited	Sri Lanka	100.00%	100.00%
Metropolis Healthcare Tanzania Limited	Tanzania	100.00%	100.00%
Metropolis Bramser Lab Services (Mtius) Limited	Mauritius	100.00%	100.00%

(b) The list of Joint ventures companies included in the consolidated financial statements are as under;

(₹ in Lakhs)

Name of Joint ventures	Country of incorporation	Proportion of ownership interest	
		As at 31 March 2020	As at 31 March 2019
Metropolis Histoxpert Digital Services Private Limited	India	65.00%	65.00%

(c) The list of Associates companies included in the consolidated financial statements are as under;

(₹ in Lakhs)

Name of Associates	Country of incorporation	Proportion of ownership interest	
		As at 31 March 2020	As at 31 March 2019
Star Metropolis Health Services Middle East LLC^	United Arab Emirates	34.00%	34.00%

^ Associate is not accounted in the consolidated financial statements- Refer Note 54

44. BUSINESS COMBINATIONS

Acquisition of Non controlling interest

(i) Micron Metropolis Healthcare Private Limited

On 6 September 2018, Group acquired additional 15 percent in Micron Metropolis Healthcare Private Limited for ₹ 283.70 Lakhs in cash, increasing its ownership from 85 percent to 100 percent. The carrying amount of Micron Metropolis Healthcare Private Limited net assets in the group's consolidated financial statements on the date of the acquisition was ₹ 238.6 Lakhs. The group consequently recognised a decrease in NCI of ₹ 35.80 Lakhs. The decrease of ₹ 247.90 Lakhs represents a decrease in retained earnings.

The following table summarises the acquisition date transaction:

	Amount ₹ in Lakhs
Carrying value of NCI acquired	35.80
Consideration paid to NCI	283.70
Decrease in equity attributable to owners of the Company	(247.90)

(ii) Desai Metropolis Health Services Private Limited

On 6 September 2018, Group acquired additional 18.40 percent in Desai Metropolis Health Services Private Limited for total consideration of ₹ 2356.70 Lakhs, out of which ₹ 1460.88 Lakhs is paid in cash and ₹ 895.86 Lakhs by issue of equity shares of Metropolis Healthcare Limited to non controlling shareholders, increasing its ownership from 81.60 percent to 100 percent. The carrying amount of Desai Metropolis Health Services Private Limited net assets in the group's consolidated financial statements on the date of the acquisition was ₹ 1698.37 Lakhs. The group consequently recognised a decrease in NCI of ₹ 312.5 Lakhs. The decrease of ₹ 2044.20 Lakhs represents a decrease in retained earnings.

The following table summarises the acquisition date transaction:

	Amount ₹ in Lakhs
Carrying value of NCI acquired	312.50
Consideration paid / payable to NCI	2,356.70
Decrease in equity attributable to owners of the Company	(2,044.20)

(iii) Sudharma Metropolis Health Services Private Limited

On 6th September 2018, Group acquired additional 10 percent in Sudharma Metropolis Health Services Private Limited for total consideration of ₹ 1320 Lakhs, out of which ₹ 795.90 Lakhs is paid in cash and ₹ 524.10 Lakhs by issue of equity shares of Metropolis Healthcare Limited to non controlling shareholders, increasing its ownership from 90 percent to 100 percent. The carrying amount of Sudharma Metropolis Health Services Private Limited net assets in the group's consolidated financial statements on the date of the acquisition was ₹ 3769.40 Lakhs. The group consequently recognised a decrease in NCI of ₹ 376.90 Lakhs. The decrease of ₹ 943.10 Lakhs represents a decrease in retained earnings.

The following table summarises the acquisition date transaction:

	Amount ₹ in Lakhs
Carrying value of NCI acquired	376.90
Consideration paid to NCI	1,320.00
Decrease in equity attributable to owners of the Company	(943.10)

(iv) R.V. Metropolis Diagnostics & Healthcare Centre Private Limited

On 6 September 2018, Group acquired additional 23.26 percent in R.V. Metropolis Diagnostics & Healthcare Centre Private Limited for total consideration of ₹ 2016.70 Lakhs, out of which ₹ 1192.10 Lakhs is paid in cash and ₹ 824.60 Lakhs by issue of equity shares of Metropolis Healthcare Limited to non controlling shareholders, increasing its ownership from 76.74 percent to 100 percent. The carrying amount of R.V. Metropolis Diagnostics & Healthcare Centre Private Limited net assets in the group's consolidated financial statements on the date of the acquisition was ₹ 1760.5 Lakhs. The group consequently recognised a decrease in NCI of ₹ 409.50 Lakhs. The decrease of ₹ 1607.20 Lakhs represents a decrease in retained earnings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

The following table summarises the acquisition date transaction:

	Amount ₹ in Lakhs
Carrying value of NCI acquired	409.50
Consideration paid to NCI	2,016.70
Decrease in equity attributable to owners of the Company	(1,607.20)

(v) Dr. Patel Metropolis Healthcare Private Limited

On 6 September 2018, Group acquired additional 30 percent in Dr. Patel Metropolis Healthcare Private Limited for ₹ 849.30 Lakhs in cash, increasing its ownership from 70 percent to 100 percent.

As per share purchase agreement, upon payment of initial consideration of ₹ 768.90 Lakhs, an amount of ₹ 100 Lakhs is to be paid by Metropolis Healthcare Limited in 2 tranches (₹ 80 Lakhs to be paid on 14 September 2021 and remaining ₹ 20 Lakhs to be paid on 14 September 2023).

The deferred consideration of ₹ 100 Lakhs has been meaured at fair value (₹ 80.40 Lakhs) on initial recognition and the difference of ₹ 19.60 Lakhs will be recognised as finance cost on EIR basis over the payment tenure. During year ended 31 March 2020 ₹ 5.54 Lakhs (31 March 2019 ₹ 2.92 Lakhs) charged to statement of profit and loss (Refer note 34).

The carrying amount of Dr. Patel Metropolis Healthcare Private Limited net assets in the group's consolidated financial statements on the date of the acquisition was ₹ 684.70 Lakhs. The group consequently recognised a decrease in NCI of ₹ 205.40 Lakhs. The decrease of ₹ 643.9 Lakhs represents a decrease in retained earnings.

The following table summarises the acquisition date transaction:

	Amount ₹ in Lakhs
Carrying value of NCI acquired	205.40
Fair value consideration paid / payable to NCI	849.30
Decrease in equity attributable to owners of the Company	(643.90)

(vi) Lab One Metropolis Healthcare Services Private Limited

On 6 September 2018, Group acquired additional 49 percent in Lab One Metropolis Healthcare Services Private Limited for total consideration of ₹ 1073.50 Lakhs, out of which ₹ 683.90 Lakhs is paid in cash and ₹ 389.60 Lakhs by issue of equity shares of Metropolis Healthcare Limited to non controlling shareholders, increasing its ownership from 51% percent to 100 percent. The carrying amount of Lab One Metropolis Healthcare Services Private Limited net assets in the group's consolidated financial statements on the date of the acquisition was ₹ 366.90 Lakhs. The group consequently recognised a decrease in NCI of ₹ 179.80 Lakhs. The decrease of ₹ 893.70 Lakhs represents a decrease in retained earnings.

The following table summarises the acquisition date transaction:

	Amount ₹ in Lakhs
Carrying value of NCI acquired	179.80
Consideration paid to NCI	1,073.50
Decrease in equity attributable to owners of the Company	(893.70)

(vii) Bokil Golwilkar Metropolis Healthcare Private Limited

On 11 February 2019, Group acquired additional 24 percent in Bokil Golwilkar Metropolis Healthcare Private Limited for ₹ 192 Lakhs in cash, increasing its ownership from 76 percent to 100 percent.

As per share purchase agreement, upon payment of initial consideration of ₹ 132 Lakhs, an amount of ₹ 60 Lakhs is to be paid by Metropolis Healthcare Limited in 2 tranches (₹ 40 Lakhs to be paid on August 10, 2019 on fulfilment of agreed upon conditions and remaining ₹ 20 Lakhs to be paid on February 10, 2022).

The deferred consideration of ₹ 60 Lakhs has been measured at fair value (₹ 55.22 Lakhs) on initial recognition and the difference of ₹ 4.78 Lakhs will be recognised as finance cost on EIR basis over the payment tenure. During year ended 31 March 2020 ₹ 2.15 Lakhs (31 March 2019 ₹ 0.33 Lakhs) charged to statement of profit and loss (Refer note 34).

The carrying amount of Bokil Golwilkar Metropolis Healthcare Private Limited net assets in the group's consolidated financial statements on the date of the acquisition was ₹ 505.19 Lakhs. The group consequently recognised a decrease in NCI of ₹ 121.24 Lakhs. The decrease of ₹ 65.98 Lakhs represents a decrease in retained earnings.

The following table summarises the acquisition date transaction:

	Amount ₹ in Lakhs
Carrying value of NCI acquired	121.24
Fair value consideration paid / payable to NCI	187.22
Decrease in equity attributable to owners of the Company	(65.98)

(viii) Acquisition of Sanjeevani Pathology Laboratory

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

The deferred consideration of ₹ 2,300.00 Lakhs has been measured at fair value (₹ 2,100.96 Lakhs) on initial recognition and the difference of ₹ 199.04 Lakhs (31 March 2019 : ₹ 199.04 Lakhs) will be recognise as finance cost on EIR basis over the payment tenure; During year ended 31 March 2020 ₹ 16.44 Lakhs (31 March 2019 ₹ 36.88 Lakhs) charged to statement of profit and loss (refer note 34).

(ix) Acquisition of four laboratories by Desai Metropolis health Services Private Limited

During the year, 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 ₹ 1,800.00 Lakhs. The amount of ₹ 1,800.00 Lakhs is to be paid by the Desai Metropolis health Services Private Limited to the owners of these laboratories in 3 tranches starting from September 2019 to September 2021.

Particulars	Amount ₹ in Lakhs
Property, Plant and Equipments	48.50
Cash and Bank	0.27
Goodwill	1,173.90
Brand	285.51
Customer Rights	210.04
Total	**1,718.22**

The deferred consideration of ₹ 1,800.00 Lakhs has been measured at fair value (₹1,690.72 Lakhs) on initial recognition and the difference of ₹ 109.28 Lakhs will be recognise as finance cost on EIR basis over the payment tenure; During year ended 31 March 2020 ₹ 35.38 Lakhs charged to statement of profit and loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

45. NON CONTROLLING INTERESTS

Below is the partly owned subsidiary of the Company and the share of the non-controlling interests.

(₹ in Lakhs)

Name	Country of Incorporation	As at 31 March 2020	As at 31 March 2019
Raj Metropolis Healthcare Private Limited	India	49.00%	49.00%
Ekopath Metropolis Lab Services Private Limited	India	40.00%	40.00%

The principal place of business of the entity listed above is the same as their respective country of incorporation.

None of the above non-wholly owned subsidiary is material to the Group. Therefore, financial information about these non-wholly owned subsidiaries are not disclosed separately

46. EQUITY ACCOUNTED INVESTEES

(₹ in Lakhs)

Name	Country of incorporation	Proportion of ownership interest	
		As at 31 March 2020	As at 31 March 2019
Metropolis Histoxpert Digital Services Private Limited*	India	-	51.98
1,950,000 (31 March 2019:1,950,000) Equity shares of Face value of ₹ 10 each (Fully paid up)			
Investment in Associates			
Star Metropolis Health Services Middle East LLC ^	United Arab Emirates	-	-
1,020 (31 March 2019: 1,020) Equity shares of AED of 1,000 each (Fully Paid up)			
		-	51.98

^ The value of investment in associate Star Metropolis Health Services Middle East LLC is ₹ 129.85 Lakhs (31 March 2019: ₹ 129.85 Lakhs). The same has been fully provided. Please refer note 54.

* The value of investment in Joint venture Metropolis Histoxpert Digital Services Private Limited adjusted with profit or Loss to the extent of investment value.

Investment in Joint Ventures

a) Metropolis Histoxpert Digital Services Private Limited

During the year ended 31 March 2018, the Group has acquired 65% interest in Metropolis Histoxpert Digital Services Private Limited, a Joint Venture involved in providing pathology services in India. The Group's interest in the entity is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

(₹ in Lakhs)

	As at 31 March 2020	As at 31 March 2019
Percentage ownership interests	65%	65%
Non-current assets	4.79	4.30
Current assets (including cash and cash equivalents 31 March 2019: ₹ 101.57 Lakhs)	29.92	109.06
Current liabilities (Current financial liabilities other than trade payables and other financial liabilities and provisions - 31 March 2019: ₹ 33.38 Lakhs	41.22	33.38
Net Assets	**(6.51)**	**79.97**
Group's share of net assets (65%)	(4.23)	51.98
Carrying value of interest in Joint Ventures	-	51.98

(₹ in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Percentage ownership interests	65%	65%
Revenue	41.63	17.44
Depreciation and amortisation	0.94	0.66
Interest expense	-	-
Income tax expense	-	-
Profit/(Loss)	(86.48)	(220.03)
Other comprehensive income	-	-
Total comprehensive income	(86.48)	(220.03)
Group share of profits (65%)	(56.21)	(143.02)
Group share of OCI (65%)	-	-
Group share of total comprehensive income (65%)	**(56.21)**	**(143.02)**

47. CONTINGENT LIABILITIES NOT PROVIDED FOR

(₹ in Lakhs)

	31 March 2020	31 March 2019
Income tax liability disputed in appeals	139.90	139.90
Due to others	394.33	232.36
Claims against the Group not acknowledged as debt :		
- Claims by suppliers/contractors /others	265.70	138.37
- Claims pending in Consumer Dispute Redressal Forum	171.81	40.60
Contingent consideration on acquisition of remaining stake of subsidiary*	759.38	759.38
	1,731.11	**1,310.61**

*The Holding Company has entered into a share purchase agreement to buy remaining 30% stake of Golwilkar Metropolis Health Services (India) Private Limited. For purchase of remaining stake, consideration to be paid as per valuation of Golwilkar has been determined to be ₹ 3037.51 Lakhs. However, on account of a breach of non-compete provision as per the terms of the shareholder's agreement dated October 14, 2005, the Holding Company has filed an application before a sole arbitrator- Justice A.V. Nirgude (Retired) at Mumbai against Dr. Ajit S. Golwilkar, Dr. Awanti T. Mehendale and Dr. Vinanti N. Patankar ("Respondents"), claiming 25% of consideration determined i.e. ₹ 759.38 Lakhs as damages. The matter is currently pending before the arbitrator.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

48. COMMITMENTS

(₹ in Lakhs)

	31 March 2020	31 March 2019
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account not provided for	1,362.68	953.40

Other commitments:

(i) The Holding Company has entered into reagent purchase agreement for a period ranging from 3 to 6 years with some of its major raw material suppliers to purchase agreed value of raw materials.

(ii) The value of purchase commitments for the remaining number of years are ₹ 48,140.09 Lakhs (31 March 2019: ₹ 42,855.62 Lakhs) of which annual commitment for next year is ₹ 13,165.08 Lakhs (31 March 2019: ₹ 15,694.49 Lakhs) as per the terms of these arrangements.

49. AUDITORS' REMUNERATION*

(₹ in Lakhs)

	31 March 2020	31 March 2019
Audit fees	99.52	95.36
Limited Review Fees	28.00	-
Certification Fees	3.00	3.00
Others (including reimbursement of out of pocket expenses)	2.85	10.30
Total	**133.37**	**108.66**

*In addition to above 31 March 2020 : Nil (31 March 2019: ₹ 206.57 Lakhs) was paid to auditors in relation to services of Initial Public Offer (IPO) which has been borne by the selling shareholders of the Company.

50.

(a) Reconciliation of revenue from contracts with customers

(₹ in Lakhs)

	31 March 2020	31 March 2019
Revenue from contract with customer as per the contract price	84,443.17	75,197.89
Adjustments made to contract price on account of :-		
Discount / Rebates	1,141.66	807.70
Revenue from contract with customer	**85,584.83**	**76,005.59**
Other operating revenue	55.71	112.59
Revenue from operations	**85,640.54**	**76,118.18**

(b) Disclosure As Per Ind AS 115 - Revenue From Contracts With Customers

(₹ in Lakhs)

	31 March 2020	31 March 2019
Contract asset- unbilled revenue	-	-
Contract liabilities - Advance from Customers		
Opening Balance	379.52	275.18
Movement during the year	(13.30)	104.34
Closing Balance	**366.22**	**379.52**

51. EMPLOYEE BENEFITS

(a) Defined benefits plan

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

(₹ in Lakhs)

	As at 31 March 2020	As at 31 March 2019
A. Amount recognised in the balance sheet		
Present value of the obligation as at the end of the year	1,247.88	882.56
Fair value of plan assets as at the end of the year	(105.85)	(111.49)
Net liability recognised in the balance sheet	**1,142.03**	**771.07**
Out of which,		
Non-current portion	541.40	316.08
Current portion	600.63	454.99
B. Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	882.56	889.28
Current service cost	109.23	111.51
Interest cost	66.09	62.84
Actuarial loss/(gain)	74.75	(75.34)
Benefits paid	177.63	(101.75)
Liability transferred out	(62.38)	(3.98)
Projected benefit obligation at the end of the year	**1,247.88**	**882.56**
C. Change in plan assets		
Fair value of plan assets at the beginning of the year	111.49	149.55
Interest income	8.34	9.76
Return on plan assets (excluding Interest income)	(1.79)	(0.84)
Employer contributions	-	12.86
Benefits paid	(12.19)	(59.84)
Fair value of plan assets at the end of the year	**105.85**	**111.49**
D. Amount recognised in the statement of profit and loss		
Current service cost	109.23	111.51
Interest cost	57.75	53.09
Expenses recognised in the statement of profit and loss	**166.98**	**164.60**
E. Amount recognised in other comprehensive income		
Actuarial loss/(gain) on Defined benefit obligation	276.23	(75.34)
Return on plan assets (excluding Interest income)	1.79	0.84
	278.02	**(74.50)**
F. Plan Assets include Insurance Funds		
G. Assumptions used		
Discount rate	5.21%-6.59%	6.96%-7.64%
Long-term rate of compensation increase	4.50%-5.50% p.a. for the next 3 years, 7.00%-7.50% p.a. thereafter, starting from the 4th year	7.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

(₹ in Lakhs)

	As at 31 March 2020	As at 31 March 2019
Rate of return on plan assets	5.21%-6.43%	6.96%-7.64%
Attrition rate	11%-36%	For service 4 years and below 35.00% p.a. For service 5 years and above 4.00% p.
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The weighted average duration of the defined benefit obligation is 4 years (31 March 2019 :12 years) for all year presented above.

H. Sensitivity analysis

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

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(35.22)	38.09	(79.65)	94.02
Future salary growth (1% movement)	36.69	(34.17)	90.63	(78.65)
Employee Turnover (1% movement)	(6.01)	6.24	1.31	0.55

I. Expected future cash flows

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2020					
Defined benefit obligations (Gratuity)	332.04	232.59	471.14	502.43	1,538.19
Total	332.04	232.59	471.14	502.43	1,538.19

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2019					
Defined benefit obligations (Gratuity)	76.95	63.20	160.51	1,981.37	2,282.03
Total	76.95	63.20	160.51	1,981.37	2,282.03

(b) Defined contribution plan

The Group entities domiciled in India 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. Entities of the Group domiciled outside India also contributes to social security schemes as per the relevant regulations of the country for the welfare of the employees. These are defined contribution plans as per Ind AS - 19. The amount of contribution to provident fund and Employee State Insurance Scheme recognised as expenses during the year 31 March 2020: ₹ 849.38 Lakhs (31 March 2019: ₹ 818.18 Lakhs).

(c) Employee Stock Option Schemes

Description of share-based payment arrangements:

As at 31 March 2020 and 31 March 2019 Company had following share-based payment arrangements:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

MESOS 2007 -

In the earlier years, Company had instituted an Employees Stock Option Scheme called "Metropolis Employee Stock Option Scheme, 2007 (MESOS -2007)" and subsequently adopted a revised scheme on 2 June 2009 titled "MESOS – 2007 revised" as approved by the Board of directors and Nomination and Remuneration Committee. All the options which were granted under this scheme are vested as of 1 April 2016.

The Company has elected not to apply Ind AS 102 Share-based payment to equity instruments that vested before the date of transition to Ind AS. Accordingly, the Company has measured only the unvested stock options on the date of transition as per Ind AS 102.

MESOS 2015 -

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

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

- Existing employees (person who is in continuous employment with the Company since 1 January, 2016 or prior thereto) shall vest at the rate of 50% of Grant on 1 January 2018, 25% of Grant on 1 January 2019 and 25% of Grant on 1 January 2020.
- New employees (person who is in continuous employment with the Company after 01 January, 2016.) shall vest at the rate of 50% of Grant on completion of 2 years from date of joining, 25% of Grant on completion of 3 years from date of joining and 25% of Grant on completion of 4 years from date of joining.
- No additional options to be granted to stock options under MESOS 2015 as per the resolution dated 24 September 2018, passed by the Nomination & Remuneration Committee .

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
MESOS 2007 - Option granted to eligible employees on 1 October 2007	1,27,315	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 be two years from date of vesting subject to shares of the company are listed at the time of exercise. In case of exercise period expires prior to date of listing, options can be exercised immediately but in no event later than 3 months from the date on which shares are listed
MESOS 2015 - Option granted to eligible employees on 25 April 2016	27,800	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.
MESOS 2015 - Option granted to eligible employees on 16 October 2017	1,85,550	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

Reconciliation of Outstanding share options

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

MESOS 2007

	31 March 2020		31 March 2019	
	Weighted average exercise price	Number of Options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	100	-	100	42,675
Granted during the year	100	-	100	-
Exercised during the year (pre bonus and split issue)	100	-	100	(32,800)
Lapsed/ forfeited /buy back	100	-	100	(9,875)
Outstanding at the end of the year	100	-	100	-
Exercisable at the end of the year	100	-	100	-

MESOS 2015

	31 March 2020		31 March 2019	
	Weighted average exercise price	Number of Options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	705.77	10,80,400	3670*	2,07,770
Granted during the year	-	-	-	-
Granted due to bonus issue	-		705.77	8,310
Granted due to split of shares	-		705.77	8,64,320
Exercised during the year	705.77	4,51,886	-	-
Lapsed/ forfeited /surrendered	-	68,199	-	-
Outstanding at the end of the year	705.77	5,60,315	705.77	10,80,400
Exercisable at the end of the year		-	705.77	-

* on account of split & bonus with conversion factor of 5.2

The options outstanding at 31 March 2020 have an exercise price of ₹ 705.77 (31 March 2019 have an exercise price of ₹ 705.77) and a weighted average remaining contractual life of 6 months to 2 years (31 March 2019: 6 months to 2 years)

The expense arising from MESOS 2015 scheme during the year is ₹ 72.38 Lakhs (31 March 2019 ₹ 88.44 Lakhs);

Measurement of Fair value

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

(₹ in Lakhs)

Grant date	MESOS 2015		Description of inputs used
	16 October 2017	25 April 2016	
Fair value at grant date	142.80	66.00	
Share price at grant date	2,910.00	2,289.00	
Exercise price	3,670.00	3,670.00	
"Expected volatility (Weighted average volatility)"	16.04%	16.70%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life

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(₹ in Lakhs)

Grant date	MESOS 2015		Description of inputs used
	16 October 2017	25 April 2016	
Expected life (expected weighted average life)	1.64 years	4.05 years	
Expected dividends	3%	3%	Dividend yield of the options is based on recent dividend activity.
Risk-free interest rates (Based on government bonds)	6.35%	7.42%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.

Particulars	Number of Options	Amount (₹ Lakhs)
Securities Premium (Exercise price (705.77) less Face value per share (2))	4,51,886	3,180.23
General Reserve (Fair Value - 142.8 per Option) *	4,51,886	124.10
Equity Shares (Face value ₹ 2 per share)	4,51,886	9.03

* Fair value of the option has been adjusted post effect of bonus and share split

52. SEGMENT REPORTING

a. Basis for segmentation

The operations of the Group 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 Group'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.

b. Geographic information

The geographic information analyses the Group's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

(₹ in Lakhs)

	31 March 2020	31 March 2019
Revenue from external customers		
India	80,696.12	71,167.53
Outside India	4,856.65	4,838.06

(₹ in Lakhs)

	31 March 2020	31 March 2019
Non-current assets (other than financial instruments and deferred tax assets)		
India	31,331.28	21,964.75
Outside India	834.54	845.50

c. Major customers

Revenue contributed by any single customer, does not exceed ten percent of the Group's total revenue.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

53. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Group has spent during the year ended 31 March 3020: ₹ 76.97 Lakhs, year ended 31 March 2019: ₹ 79.45 Lakhs towards various schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013.

a) Gross amount required to be spent by the Group during the year ended 31 March 2020: ₹ 298.86 Lakhs (31 March 2019: ₹ 293.79 Lakhs)

b) Amount spent during the year on;

(₹ in Lakhs)

Particulars	31 March 2020		
	In Cash	Yet to be paid in Cash	Total
Construction / acquisition of any asset	-	-	-
On purposes other than (i) above	76.97	-	76.97

(₹ in Lakhs)

Particulars	31 March 2019		
	In Cash	Yet to be paid in Cash	Total
Construction / acquisition of any asset	-	-	-
On purposes other than (i) above	79.45	-	79.45

c) During the previous year ended 31 March 2019, the Company has filed necessary application under section 441 with the relevant regulatory authorities for compounding the non - compliance committed under section 134(3)(o) read with section 135 of the Companies Act, 2013 in respect of disclosure regarding corporate social responsibility in the report of Board of Directors for the year ended on 31 March, 2015.

As at balance sheet date, the Company is awaiting response from the relevant regulatory authorities for the application filed under section 441 of the Companies Act, 2013, for compounding of the non - compliance committed under section 134(3)(o) read with section 135 of the Companies Act, 2013 in respect of disclosure regarding corporate social responsibility in the Boards' Report for the year ended on March 13, 2015. However, the management has provided the amount of potential penalty in the books of accounts and believes that the additional penalty, if any, that may arise due to the default would not be material.

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

As at 31 March 2020, the Company has an investment of ₹ 129.85 Lakhs (31 March 2019 ₹ 129.85 Lakhs) and receivable of ₹ 640.88 Lakhs (31 March 2019 ₹ 640.88 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 current year and has filed an application to Reserve Bank of India (RBI) through Authorised Dealer Bank seeking permission to write off the above investment and receivable.

55. SHARE WARRANTS ISSUED

On 31 December 2015, the Company had issued 1 warrant on preferential basis to Metz Advisory LLP which forms part of the public shareholders of the Company. At the time of subscription, ₹ 0.20 Lakhs has been paid and the balance is payable at the time of exercising the warrant.

As per the terms, warrant shall upon occurrence of a Warrant Exercise Event and payment of Warrant Exercise Price of ₹ 2,579/- is convertible into 8,703 equity or 11,778 shares of face value of ₹ 10 depending on the occurrence of qualifying merger up to 31 March 2016.

Since, as on 31 March 2016, the warrants are convertible into variable number of shares at a predetermined fixed price at the time of warrant exercise event, such warrants will meet the definition of liability as per Ind AS 32. Accordingly, the Company has classified money received on issue as liability as on 31 March 2016.

As per the terms as on 1 April 2016, such warrant shall upon occurrence of a Warrant Exercise Event and payment of Warrant Exercise Price of ₹ 2,579/- is convertible into 8,703 equity shares of face value of ₹ 10.

Since, the warrants are converted into fixed number of shares at a predetermined fixed price at the time of warrant exercise event, such warrants will meet the definition of an equity instrument as per Ind AS 32. Accordingly, the Company has classified money received on issue as Equity as on 1 April 2016.

During the previous year ended 31 March 2019, such Share warrants were exercised at an exercise price of ₹ 2,579/- per share. The Company has been received ₹ 224.45 Lakhs, of which ₹ 0.87 Lakhs has been recognised in Equity and ₹ 223.58 Lakhs has been recognised under Share premium.

56. TRANSFER PRICING

The Group's management is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended 31 March 2019. Management continues to believe that its international transactions post 31 March 2019 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.

57. AMALGAMATION

Pursuant to the Scheme of Amalgamation (the Scheme) sanctioned by the Hon'ble National Company Law Tribunal (NCLT) vide its order dated August 31 2018, Bacchus Hospitality Services and Real Estate Private Limited and Wholly owned Subsidiary Companies - Metropolis Healthcare (Chandigarh) Private Limited, Metropolis Healthcare (Jodhpur) Private Limited, Final Diagnosis Private Limited, Sanket Metropolis Health Services (India) Private Limited, Golwilkar Metropolis Health Services (India) Private Limited have been merged with the Holding Company with effect from April 1, 2018 (the appointed date). The said Scheme was sanctioned by the Hon'ble NCLT, Mumbai Bench vide its order dated August 31, 2018.

a) Pursuant to scheme of merger of wholly owned subsidiaries, the entire business and all assets and liabilities, income and expense shall be deemed to have been carried out by Metropolis Healthcare Limited with effect from appointed date of April 1, 2018.

b) Bacchus holds 2,657,730 fully paid up equity shares of INR 10 each of the Company i.e. 27.85% of the total outstanding equity share capital of the Company. Pursuant to the scheme, 957,713 fully paid up equity shares of INR 10 each of the Company has been issued and allotted, credited as fully paid up, for every 10,00,000 equity shares of INR 10 each held in the Company. Shares held by Bacchus in the Company will be cancelled and any difference on cancellation of shares over the issue of new equity shares shall be adjusted with Security Premium arising, if any, on issue of new equity shares.

58. SHAREHOLDING IN THE SUBSIDIARY COMPANY :

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

59. IMPACT OF THE COVID-19 PANDEMIC, SCHEDULE, IF ANY, FOR RESTARTING THE OPERATIONS AND STEPS TAKEN TO ENSURE SMOOTH FUNCTIONING OF OPERATIONS:

Operations : The Company were operating at sub optimal levels following Government directives on lockdown in March 2020. While most of the economic activity were at halt during the lockdown period, the healthcare sector continued operations under the Essentials Commodities Act. Accordingly, the Company continued to service customers across channels.

As permissions on resumption and relaxations in the lockdown guidance came from mid-April 2020 onwards, the Company witnessed an uptick in demand from customers across various segments.

The Company has undertaken safety measures across our labs and collection centre and are following increased protocols to ensure our people are safe and secure. The Company has gradually been ramping up capacities across our laboratories, collection centre and geographies, on a daily basis.

The Company were the First Pvt lab in the country to start testing for Covid-19 in end March 2020. With the best TAT, continuous medical engagement with doctors and government authorities, strong branding and customer equity, the Company were successful in churning out Covid-19 tests. Initially the testing lab was set up at our Global Reference Lab in Mumbai however as volumes increased the Company set up Covid-19 facility at Thane and subsequently at Chennai, Bengaluru, Pune and Delhi.

Customers: Due to lockdown situation in India, the Company had reduced samples across B2B & B2C channels in March which continued till Mid-April 2020. In end April, full resumption of operations has started which has gradually increased in May 2020 and the movement of samples and customer walk-ins are ramping up on a steady state basis.

Financial resources, profitability and liquidity position: The Company has comfortable liquidity position being a net cash company with zero debt. There may be some impact on receivable cycle from B2B business, however, the Company foresees no major risk on receivables. Company's B2C business doesn't carry risk of recovery of assets since large part of the business is on cash and carry model.

Estimation of the future impact of COVID-19 on its operations: The Company believe there will be impact in revenue and profitability for Q1FY21 as operations were partially operating in April 2020 and were gradually ramping up in May 2020.

Last 15 days of March 2020 witnessed sharp revenue degrowth of 40-50% on YoY basis. In April 2020, the Company achieved approximately 40% of the revenue clocked in April 2019. With improving logistics, improving engagement with doctors and Covid-19 testing scaling up, The Company has been able to achieve approximately 60-65% of May 2019 revenues in May 2020 (till 28th May 2020). The Company expect improvement to continue in June 2020 as well, as increase in specialized tests, Covid-19 testing and doctors clinic open up for getting access to routine samples.

Accordingly, April 2020 witnessed negative EBITDA followed by Breakeven EBITDA in May so far and expect to clock positive EBITDA in June 2020. The Company has also commenced operations at 50% of the network. Further the Company has initiated cost rationalization measures and have been successful in reducing fixed and semi-variable costs by more than 20%.

Considering that the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. However, the Company is confident about adapting to the changing business environment and respond suitably to fulfil the needs of its customers. With strong balance sheet having cash and cash equivalents in excess of ₹ 200,00 Lakhs, asset light business and leadership position in markets of our operations, The Company is well placed to tide over the current crisis and emerge stronger.

60. SUBSEQUENT EVENTS:

- On 16 January 2020, the Company has entered into a share purchase agreement to acquire 51% stake in Shraddha Diagnostic Centre (I) Private Limited (Shraddha Diagnostic) for an aggregate consideration of Rs 936.30 Lakhs to its strengthen the presence in the state of Gujarat. Subsequent to the balance sheet date the transaction pending to consummated
- Impact due to Covid-19 in the FS and company operation (Refer note 59)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

61. DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE HOLDING COMPANY AND SUBSIDIARIES AS PER SCHEDULE III OF COMPANIES ACT, 2013

Net Assets (Total Assets minus Total Liabilities)

Name of the Company	As at 31 March 2020		As at 31 March 2019	
	As % of Consolidated net assets	Net Assets	As % of Consolidated net assets	Net Assets
Holding Company				
Metropolis Healthcare Limited	98.25%	51,433.46	99.25%	41,540.41
Indian Subsidiaries				
Direct Subsidiaries				
Sudharma Metropolis Health Services Private Limited	5.23%	2,737.48	6.43%	2,689.82
Desai Metropolis Health Services Private Limited	4.61%	2,413.45	5.27%	2,204.92
R.V. Metropolis Diagnostic & Health Care Center Private Limited	3.96%	2,071.60	5.03%	2,105.57
Micron Metropolis Healthcare Private Limited	0.77%	405.30	0.85%	354.50
Dr. Patel Metropolis Healthcare Private Limited	2.04%	1,067.30	2.26%	947.44
Amin's Pathology Laboratory Private Limited	1.76%	921.73	1.89%	792.36
Ekopath Metropolis Lab Services Private Limited	0.52%	273.19	0.52%	218.52
Lab One Metropolis Healthcare Services Private Limited	1.01%	529.12	1.12%	468.04
Indirect Subsidiaries				
Bokil Golwilkar Metropolis Healthcare Private Limited	0.93%	489.07	1.10%	462.00
Raj Metropolis Healthcare Private Limited	0.18%	96.25	0.23%	94.50
Foreign Subsidiaries				
Metropolis Bramser Lab Services (Mtius) Limited	0.51%	266.91	0.75%	313.97
Metropolis Healthcare Ghana Limited	-0.25%	(130.27)	-0.17%	(72.86)
Metropolis Healthcare (Mauritius) Limited	-0.88%	(462.43)	-0.25%	(105.15)
Metropolis Star Lab Kenya Limited	2.37%	1,240.39	1.72%	721.24
Metropolis Healthcare Lanka Private Limited	0.05%	25.67	0.17%	71.09
Metropolis Healthcare Tanzania Limited	0.19%	98.32	0.00%	-
Joint Venture to the extent of shareholding				
Indian Joint Venture				
Metropolis Histoxpert Digital Services Private Limited	0.00%	-	0.12%	51.98
Add/(Less): Adjustments	**-21.26%**	**(11,126.93)**	**-26.28%**	**(11,004.51)**
Total	**100.00%**	**52,349.61**	**100.00%**	**41,853.84**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

Share in Profit or Loss

Name of the Company	31 March 2020						31 March 2019					
	As % of Consoli-dated profit or loss	Profit/ (Loss)	As % of Consoli-dated OCI	OCI	As % of Consoli-dated TCI	TCI	As % of Consoli-dated profit or loss	Profit/ (Loss)	As % of Consoli-dated OCI	OCI	As % of Consoli-dated TCI	TCI
Holding Company												
Metropolis Healthcare Limited	89.54%	11,400.43	50.27%	(150.91)	90.49%	11,249.52	84.44%	10,145.70	24.20%	33.43	83.76%	10,179.13
Indian Subsidiaries												
Direct Subsidiaries												
Sudharma Metropolis Health Services Private Limited	7.08%	901.59	11.98%	(35.97)	6.96%	865.62	8.12%	975.28	6.75%	9.33	8.10%	984.61
Desai Metropolis Health Services Private Limited	7.48%	951.87	3.22%	(9.68)	7.58%	942.19	6.94%	833.43	-1.14%	(1.58)	6.84%	831.86
R.V. Metropolis Diagnostic & Health Care Center Private Limited	4.57%	581.92	1.10%	(3.30)	4.65%	578.62	4.67%	561.47	3.68%	5.09	4.66%	566.57
Micron Metropolis Healthcare Private Limited	1.40%	178.01	0.58%	(1.75)	1.42%	176.26	1.48%	177.90	0.58%	0.80	1.47%	178.70
Dr. Patel Metropolis Healthcare Private Limited	3.51%	447.32	0.71%	(2.13)	3.58%	445.19	3.35%	401.90	2.58%	3.57	3.34%	405.46
Amin's Pathology Laboratory Private Limited	1.05%	134.08	0.00%	-	1.08%	134.08	1.41%	169.98	0.00%	-	1.40%	169.98
Ekopath Metropolis Lab Services Private Limited	0.26%	32.76	-0.02%	0.07	0.26%	32.83	0.75%	90.51	-0.61%	(0.85)	0.74%	89.66
Lab One Metropolis Healthcare Services Private Limited	1.30%	165.13	0.53%	(1.58)	1.32%	163.55	1.78%	213.54	-0.20%	(0.27)	1.75%	213.26
Indirect Subsidiaries												
Bokil Golwilkar Metropolis Healthcare Private Limited	1.08%	136.88	0.93%	(2.79)	1.08%	134.09	0.94%	112.70	0.33%	0.45	0.93%	113.15
Raj Metropolis Healthcare Private Limited	0.01%	0.89	0.00%	-	0.01%	0.89	0.21%	24.77	0.00%	-	0.20%	24.77

Name of the Company	31 March 2020						31 March 2019					
	As % of Consolidated profit or loss	Profit/ (Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI	As % of Consolidated profit or loss	Profit/ (Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
Foreign Indirect Subsidiaries												
Metropolis Bramser Lab Services (Mtius) Limited	-0.30%	(38.06)	2.99%	(8.99)	-0.38%	(47.05)	0.01%	0.62	15.87%	21.93	0.19%	22.54
Metropolis Healthcare Ghana Limited	-0.56%	(71.53)	-4.70%	14.12	-0.46%	(57.41)	-0.20%	(23.52)	-0.29%	(0.39)	-0.20%	(23.92)
Metropolis Healthcare (Mauritius) Limited	-2.01%	(256.16)	31.16%	(93.54)	-2.81%	(349.72)	-0.35%	(42.25)	37.41%	51.68	0.08%	9.43
Metropolis Star Lab Kenya Limited	3.80%	483.48	-11.89%	35.70	4.18%	519.18	3.70%	444.05	12.49%	17.25	3.80%	461.31
Metropolis Healthcare Lanka Private Limited	-0.56%	(71.02)	-8.52%	25.58	-0.37%	(45.44)	-1.80%	(215.89)	-0.82%	(1.14)	-1.79%	(217.02)
Non-controlling interest in all non-wholly owned subsidiaries	-0.18%	(22.61)	-0.11%	0.33	-0.18%	(22.28)	-2.88%	(346.49)	-0.83%	(1.14)	-2.86%	(347.64)
Joint Venture to the extent of shareholding												
Indian Joint Venture												
Metropolis Histoxpert Digital Services Private Limited	-0.41%	(51.98)	0.00%	-	-0.42%	(51.98)	-1.19%	(143.02)	0.00%	-	-1.18%	(143.02)
Add/(Less): Adjustments	**-17.05%**	**(2,170.43)**	**21.77%**	**(65.34)**	**-17.97%**	**(2,235.80)**	**-11.37%**	**(1,365.88)**	**-0.02%**	**(0.01)**	**-11.24%**	**(1,365.89)**
Total	**100.00%**	**12,732.56**	**100.00%**	**(300.18)**	**100.00%**	**12,432.37**	**100.00%**	**12,014.79**	**100.00%**	**138.14**	**100.00%**	**12,152.93**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Contd.)

62. Consequent to the issuance of " Guidance Note on Division -II - Ind AS Schedule III to the Companies Act, 2013 certain items of the financial statements have been regrouped/reclassified.

As per our report of even date attached

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

Tarun Kinger
Partner
Membership No: 105003

Place : Mumbai
Date : 29 May 2020

For and on behalf of the Board of Directors Metropolis Healthcare Limited
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Dr. Sushil Shah
Chairman & Executive Director
DIN: 00179918
Place : Mumbai

Ameera Shah
Managing Director
DIN: 00208095
Place : Mumbai

Poonam Tanwani
Company Secretary
Membership No: ACS 19182
Place : Mumbai

Vijender Singh
Chief Executive Officer
Place : Gurugram

Rakesh Agarwal
Chief Financial Officer
Place : Gurugram

Date : 29 May 2020