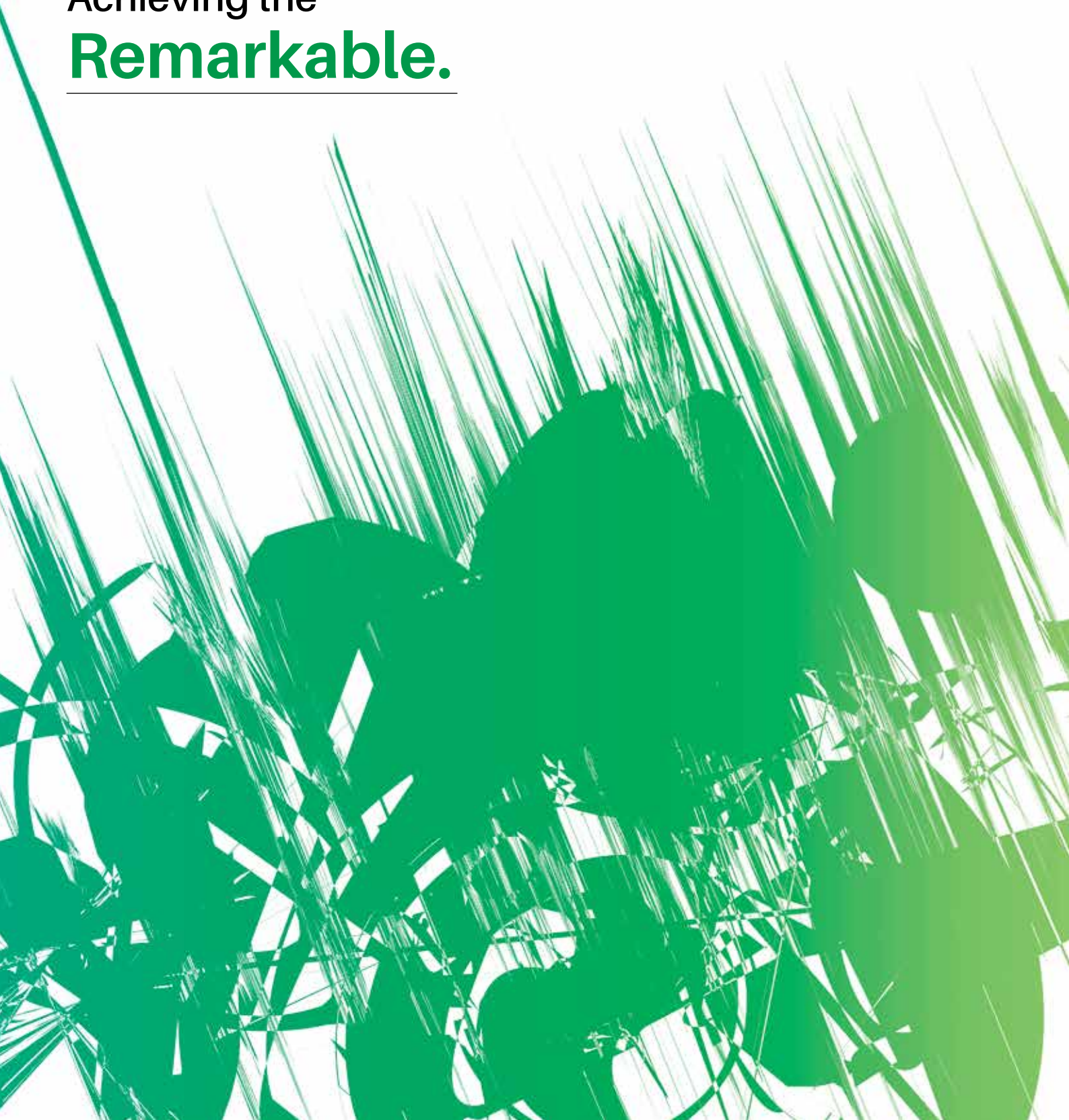


Embracing the
Unpredictable.

Achieving the
Remarkable.



OUR APPROACH TO REPORTING

About this report

This Report is aligned with the International Integrated Reporting Council's (IIRC) globally accepted framework. Through this document, Metropolis Healthcare Limited ('Metropolis' or 'MHL' or 'Our Company') aims to strengthen its communication with the stakeholders with respect to material activities, value creation process, business highlights and future prospects. This Report follows and adopts guidelines as laid out by SEBI with respect to Annual Report.

Frameworks and guidelines

The content and structure of this Annual Report is guided by the framework endorsed by the Integrated Reporting <IR> Council. Besides, the Company fully complies with the NSE & BSE listings and SEBI Compliances. It is committed to embracing best practices in reporting to ensure transparency and better stakeholder engagement.

Scope and boundary

This Annual Report comprises all the relevant aspects of the operations of Metropolis. It also consists of the desired statutory disclosures and audited annual financial statements for the year ended March 31, 2023. All the subsidiaries are included in the consolidated financial information.

Assurance

Metropolis' Board of Directors and its subcommittees have reviewed the Report and satisfied themselves on the materiality, accuracy and balance of disclosures in this Report. The Board has not sought independent assurance of the Report, other than for the annual financial statements.

Feedback

The valuable feedback is integral to the continuous improvement of our reporting journey. Kindly direct your comments to secretarial@metropolisindia.com.

Forward-looking statements

This document contains statements about expected future events and financials of Metropolis Healthcare Limited ('Metropolis' or 'MHL' or 'Our Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



Investor Information

BSE Code	542650
NSE Symbol	METROPOLIS
Bloomberg Code	METROHL:IN
AGM Date	August 17, 2023
AGM Mode	Video Conferencing

For more investor-related information, please visit
<https://www.metropolisindia.com/investors>

or, simply scan to view the
online version of the Report



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Embracing the Unpredictable. Achieving the Remarkable.

Healthcare has always been a dynamic field, one that constantly deals with new challenges and utmost chaos as the providers make every possible effort to save lives and ensure a healthy and happy life experience for people. However, the industry has undergone one of its most extensive transformations in the wake of the Covid-19 pandemic. Today, customer preferences have changed significantly, and the methods of healthcare delivery are being changed to address prevailing and future needs.

Embracing the Unpredictable says about our firm belief in looking at the silver lining in each cloud and finding ways to thrive amidst uncertainties. For us, healthcare delivery is not only about ensuring that the patient is cured of a disease or an injury, but also helping every individual attain a state of holistic wellness. It is this emphasis on quality and consistency of care that has enabled us to remain resilient and relevant to people and be among the frontrunners in the diagnostic services arena. Alongside human resilience and care, we have also been steadily enhancing the usage of cutting-edge technologies for diagnostic services that help our customers proactively take charge of their wellness. We have also enhanced our IT capabilities by introducing a B2C application to have a 360-degree view of customers for better life cycle management. Through this, we hope to realize our goal of providing customers with an omni channel experience of Metropolis, while also ensuring faster turnaround time and enhancing our Net Patient Score of Customer Loyalty and Satisfaction. We also have launched a renewed version of our Patient App along with a WhatsApp bot to provide convenient and accessible services to our patients. The latest version of the app has not only made it easier for them to access reports, book tests,

and find nearest centers but also provides them with several technology features such as tracking of samples, phlebotomists and so on. We have been taking our diagnostic services not only to the Tier 2 and Tier 3 cities, but also the micro markets. Towards this end, we have opened new laboratories in strategic locations to ensure wider access to our services and are constantly exploring new testing capabilities to meet the evolving needs of our patients and customers. The overarching vision at Metropolis is to overcome all challenges through technology and resilience and ensure that our business as well as the communities we serve, continue to thrive amidst chaos as well. We remain committed to sustainable growth and integrating sustainability principles across our value chain to create long-term value for all our stakeholders.

Apart from simplification of our customer-centric processes, we are also heavily investing in building technology that ensures accuracy, while performing more complex tests faster. The aim is to also deliver timely and accurate diagnostic results that support patients in their healthcare decisions. In fact, it is this holistic emphasis on quality, science and innovation, speed and access that has enabled Metropolis to hold its ground and grow sustainably in the face of competition posed by large conglomerates, pharma players, and digital-first start-ups. We have significant leverage over these players who have been trying to capture the market on the virtue of low-priced solutions that often fail to achieve the quality and accuracy benchmarks of a player like Metropolis. It is this customer-centricity that has kept us in a strong position to **achieve the remarkable** growth in future.



Embracing the Challenges. Delivering Remarkable Results.

Healthy finances

Rs. 1,148 Crs
Total Revenue

Rs. 293 Crs
EBITDA

25.5%
EBITDA Margin

Rs. 143.4 Crs
PAT

12.5%
PAT Margin

Rs. 1,104 Crs
Revenue Excl. Covid PCR &
Covid Allied Tests

24.5 Mn
Volume (Excl. Covid PCR
and Covid Allied Tests)

21.2 Mn
Core Business Volume (excl.
Covid, Covid Allied, PPP &
Hi-tech)

Rs. 949 Crs
Core Business Revenue

Robust operations

12.2 Mn
Number of Patient Visits

25.3 Mn
Number of Tests

Rs. 944
Revenue per Patient

Rs. 453
Revenue per Test

175+
Advanced Clinical
Laboratories

3,675
Patient Service Centres

13
Regional Labs

12,000+
Patient Touch Points



CORPORATE IDENTITY

Embracing the Unpredictable. Building a Legacy.

LARGE TEST MENU

WIDE NETWORK

**TECHNOLOGY-
ENABLED CUSTOMER
SERVICE**

AFFORDABLE TESTS

ACCURATE TEST RESULTS

This is Us...Metropolis and this is the story of our commitment to **Embrace the Unpredictable Conditions and Achieve the Remarkable Growth**

Metropolis Healthcare Limited ('Metropolis' or 'MHL' or 'Our Company') is one of the leading diagnostic chains in the healthcare sector, offering comprehensive and innovative best-in-class diagnostic services to its customers across India.



**Our
presence
and suite of
offerings**

Offering a comprehensive range of **4,000+ clinical laboratory tests and profiles**

Aggressively **focusing on advancing our technology** to engage with our customers in a new way

Helping customers access **complex tests accurately** and quickly

Focusing on the **wellness segment** by providing **premium wellness packages** for our core markets

Improving and upgrading the **overall quality standards**

Significantly guiding our customers to find a cure and improve **long-term health** and **well-being**

Onboarding **specialist doctors** to diagnose different tests

Deepening presence **in Tier 2 and Tier 3 cities**



Our key differentiators

A conclusive diagnosis

A large test menu backed by the highest standards of quality

Customer-centric

Diagnostic company with convenience and test accuracy at the core of service standards

Presence across India

A vast and unmatched service network

Consistent operations

Seamless blood collection, hygienic collection setup to timely report delivery every time

Our focus

Having a presence across the value chain as we are a national player

Providing high-value-added specialized tests

Reporting high-quality earnings and profitability

Achieving the remarkable: Quick facts

40+ Years

of Credible Experience

1st

Global Reference Lab in Mumbai

27

NABL-Accredited Labs

4,000+

Tests and Profiles

20

States

220 Cities

PAN India Presence

~9,000 Mn

Pick-up Points

754

Assisted Referral Centers (ARC)

Achieving the Remarkable with a Clear Purpose



Vision

To be a respected healthcare brand trusted by clinicians, patients and stakeholders. Positively impact the lives of patients in their most anxious times and turn their anxiety into assurance.



Mission

Helping people stay healthy by accurately revealing their inner health.

Values

INTEGRITY
is in our
VEINS

EMPATHY
is in our
BLOOD

ACCURACY
is in our
DNA

Our accredited certifications for achieving the remarkable

Mumbai lab is
CAP accredited
since 2005

All our facilities
are NABL
accredited

More than 75%
reports are
generated by
accredited labs

NABL accreditation
follows the ISO-15189
standard and is
recognized by ILAC
and APLAC

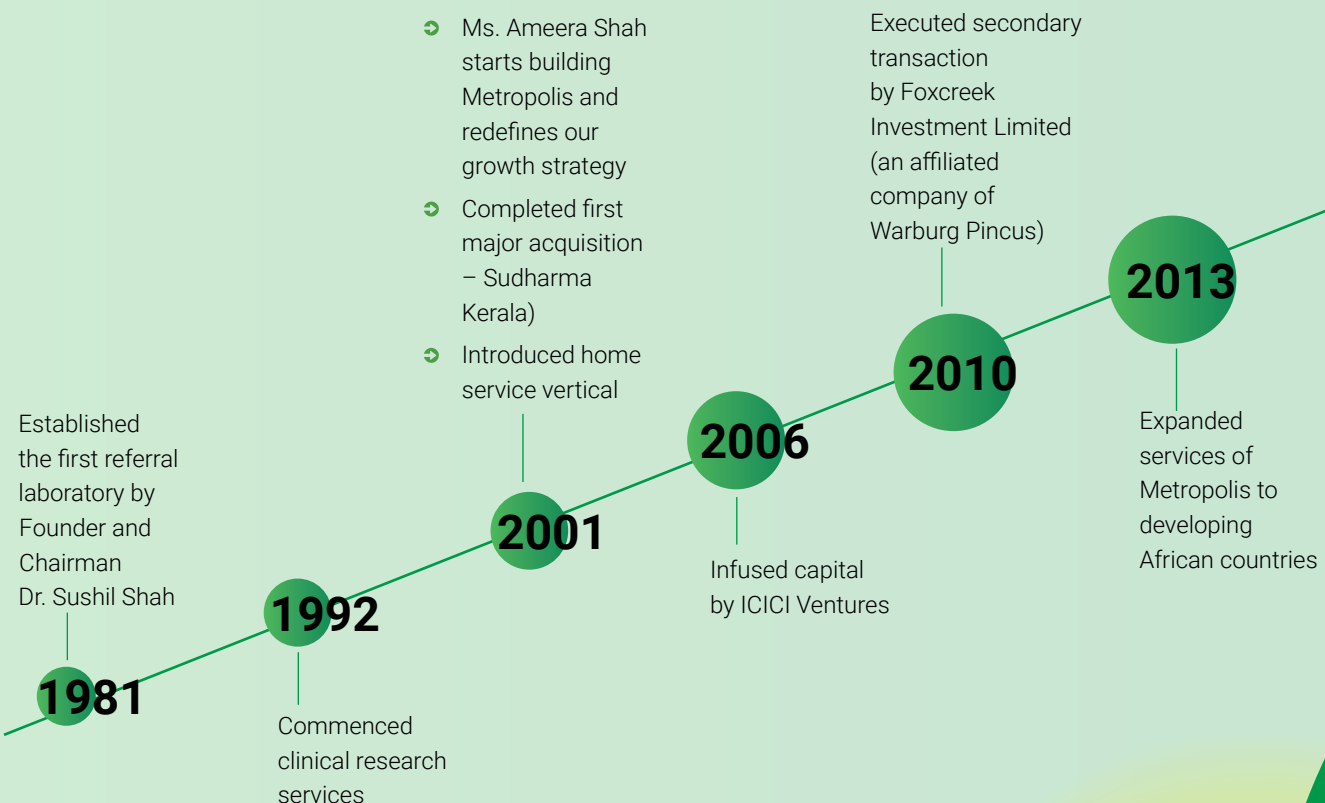
CAP: College of American Pathologists

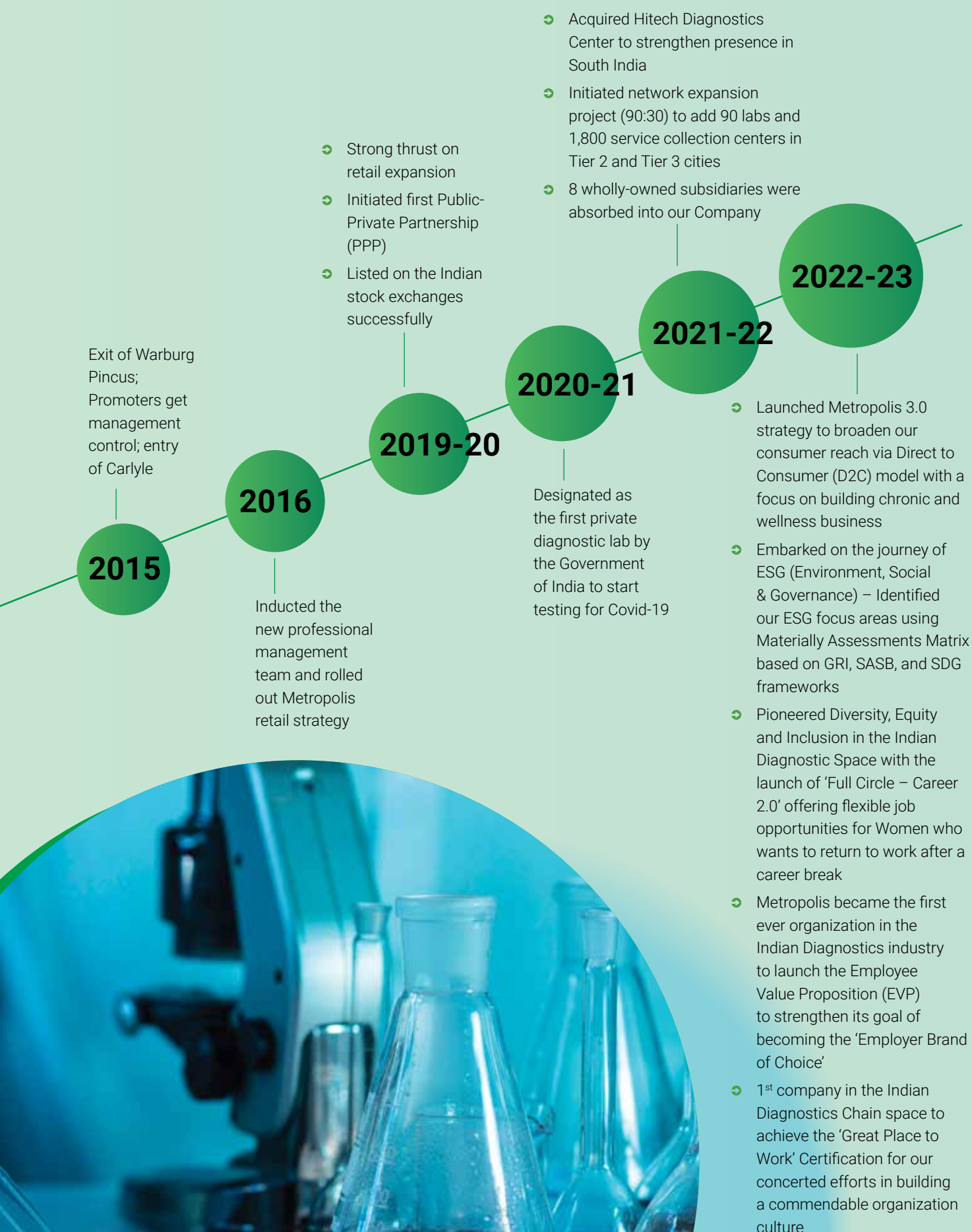
NABL: National Accreditation Board for Testing and Calibration Laboratories



MILESTONES

Embracing Humble Beginnings. Achieving the Extraordinary.





CHAIRMAN'S COMMUNIQUE

Striving Ahead, Delivering Value



Our vision is to position Metropolis as a future-ready chain of diagnostic labs. We aim to continue offering world-class diagnostic testing services, contributing to improving healthcare standards throughout the country.

Dear Shareholders,

Following a steady recovery from the pandemic and geo-political tensions, the macro-economic condition seems to be poised for gradual growth. India continues to be among the fastest growing economies recording 7.2% growth despite the global turmoil.

Over the past couple of years, the country's healthcare ecosystem including diagnostics has made significant advancements. There is also a marked improvement in the technological capabilities of the diagnostics space. India has a substantial pool of skilled healthcare professionals, including doctors, nurses, and technicians. Despite this, there are several challenges to overcome in the healthcare space especially those that have emerged after the pandemic. The need of the hour is a systematic approach to resolving these challenges and strengthening the healthcare sector through advanced technology, infrastructure, and scientific capabilities.

This is where we are

India's healthcare service providers play a significant role in addressing the existing gaps. As one of the leading players in the industry, our vision is to position Metropolis as a future-ready chain of diagnostic labs. We aim to continue offering world-class diagnostic testing services, contributing to improving healthcare standards throughout the country. Our specialized services i.e., advanced diagnostic tests with less turnaround time, help our customers to take their medical decisions after consulting with their doctors. The pandemic has led to a shift in customer preference due to its impact on health. There is an increasing preference for wellness packages as they help detect problems early thereby preventing the onset of chronic diseases. There has also been a notable rise in the adoption of home diagnostics. In response to this evolving business landscape, we have introduced affordable wellness packages that offer customers a comprehensive understanding of their health. This empowers them to make informed decisions and leads them towards a happier and healthier lifestyle.

At Metropolis, we aim to strategically expand our network and strengthen our domestic presence. We are planning to diversify our reach across the country and go deeper to deliver healthcare services in the untapped cities through various patient service networks. Our synergies work in tandem, continuously striving towards the shared vision



Through the flagship CSR programs, we undertake under the aegis of the Metropolis Foundation, we are reinforcing our commitment to the communities we operate in.

of providing best-in-class diagnostic services to our customers. Our aim is to reach our goal of making Metropolis a trusted and most preferred consumer brand in India's diagnostic service industry.

Making our R&D arm stronger and better

The significance of digital technology in the healthcare industry has increased manifold after the pandemic especially in terms of improving the efficiency and effectiveness of healthcare operations. As a healthcare company backed by science, Metropolis will continue to invest in R&D and technology. We are also constantly on the scout for opportunities to bring advanced testing mechanisms using state-of-the-art technologies for our customers. Our focus is on driving enhanced patient experience by establishing a digital ecosystem and delivering improved services at optimal costs while providing better and faster results in lesser time. Additionally, by harnessing

our deep scientific knowledge and expertise, we proactively explore avenues to offer accessible and affordable healthcare solutions to customers across the country.

Caring for our people

The success of Metropolis depends on our employees. We are committed to creating and nurturing a growth-oriented culture and work environment which will help them achieve their full potential. Through our people-centric policies, we strive to ensure their safety and foster their holistic development. During the year, we launched our employee value proposition (EVP) based on the five pillars of trust, openness, innovation, compassion and growth mindset - "Taking Life Up a Notch". The objective of this initiative is to strengthen our commitment towards employees and to become the 'Employer Brand of Choice'. We believe in growing together to achieve business success and shape a sustainable future.

Contributing towards community responsibly

In the last several years, Metropolis has laid the cornerstone for innumerable service projects. Even more, we have extensive plans to conduct even bigger welfare projects in the future. This volume and versatility of projects created a dire need to set up an independent CSR arm to implement a range of CSR initiatives. During the year, the Women Empowerment Foundation came together with Metropolis Healthcare Limited to expand its scope and achieve mutual goals with the formation of Metropolis Foundation.

Metropolis Foundation is the philanthropic arm of Metropolis Healthcare. The vision of Metropolis Foundation is to transform Health, Education, and social sector ecosystems through partnerships, high-impact solutions and thought leadership. Its core mission is for an equitable world, built on the foundation's core purpose of awareness, engagement, and empowerment to enhance the quality of life. Metropolis Foundation shall endeavour to work closely with different stakeholders like Government, NGOs, Civil Society, and like-minded-agencies to achieve sustainable change and contribute to nation-building.

Metropolis Foundation's CSR initiatives are aimed towards imparting education, creating awareness on Gender, Equality, Health, and Women Empowerment. In line with this, we are currently driving various CSR programs i.e., MedEngage, Too Shy to Ask (TSTA), Delhi Skill and Entrepreneurship University (DSEU) and few preventive healthcare projects

Our corporate governance structure is firmly rooted in ensuring accountability and transparency. Our Board of Directors, comprising individuals with diverse backgrounds and expertise, uphold the highest standards of governance.

focusing on Anaemia, Diabetes and Tuberculosis. As a socially conscious company, we are actively contributing to building a more sustainable and inclusive future for all.

Committed to sustainability

As a responsible corporate citizen, we understand the importance of sustainability. We have implemented various initiatives to minimize the environmental footprint of our operations and the services we provide to customers. We have been actively striving to address the same through our focussed efforts in two areas such as Energy Efficiency and Proper management of Biomedical waste. During the FY 2022-23, we began our ESG (Environment, Social and Governance) journey with the goal of making a larger impact for the greater good. We have determined our ESG focus areas using a materiality assessment approach. We will be implementing various ESG initiatives focusing on Energy Conservation, Water, Waste Management, strengthening the DE&I (Diversity, Equity and Inclusion), Protecting Patient Privacy and Electronic Health Records and other areas.

Leading the way with strong governance

Our corporate governance structure is firmly rooted in ensuring accountability and transparency. Our Board of Directors, comprising individuals with diverse backgrounds and expertise, uphold the highest standards of governance. We adhere to best practices, both internally and externally, to ensure sound decision-making and ethical conduct. By emphasizing strongly on diversity, we proactively disclose our progress in this area, acknowledging that it not only aligns with our core values but also fuels our business achievements. We understand that our efforts to make a positive impact on the world go hand in hand with our business goals. We firmly believe that by doing the right thing, we can create a better future for all stakeholders while maintaining our competitive advantage.

Looking forward

Going forward, we are expecting that the diagnostics sector will be a key contributor to the healthcare industry. This is due to various factors such as the rise in spending, better life expectancy, increasing income levels, growing awareness around preventive

testing, advanced diagnostic tests offerings, and rise in lifestyle-related diseases, as well as healthcare policies enabled by the government. In this light, as one of the fastest expanding service providers in India, we are striving to deliver our services in tandem with the rapidly changing business environment.

In closing

I would like to thank everyone who supported us throughout the year. I am grateful to our customers for their continued trust in us. I also want to thank our Board for their invaluable guidance and our shareholders for their continued support. I

would also like to extend my gratitude to our employees, doctors, and leadership team for achieving outstanding business results throughout the year. I look forward to the year ahead and I am excited about striving ahead and delivering value together.

Sincerely,

Dr. Sushil Shah

Founder & Chairman



LETTER FROM THE MANAGING DIRECTOR

Achieving the Remarkable, Strategically and Sustainably



We have successfully retained and expanded our talented workforce, significantly grown our network, explored newer geographies, and developed substantial new capabilities that will contribute to our future success.

Dear Shareholders,

I hope that all of you with your families are safe and keeping well. It gives me immense pleasure to present to you our Annual Report for the financial year 2022-23.

During 2022-23, the geopolitical crisis triggered by the war in Ukraine impacted the global supply chain and subsequently led to a rise in inflation. Although persistent inflation had a negative impact on the global growth prospects, India's economy demonstrated relative resilience. This is primarily due to the country's prudent fiscal and monetary policies, proactive vaccination efforts, and consistent government capital expenditure. Despite facing global challenges, India continues to be one of the world's fastest-growing economies.

Growth amidst intense competition

The financial year 2022-23 was perceived to be the most disruptive period for the diagnostic sector in the last two decades. Covid brought with it certain consumer changes like increasing health awareness among people and the adoption of digital technologies. At the same time, many new competitors entered the industry backed with large capital believing that industry dynamics were ripe for change. Some of these competitors have developed digital apps and positioned themselves as asset light players capable of providing home services for wellness health checks as an alternative to the traditional brick and mortar industry primarily focused on illness. By deploying low prices and big marketing budgets to acquire customers, the assumption was that once consumers are acquired for wellness testing, they would get so hooked to the experience, that they would then migrate for illness testing services as well. With volumes, would come economies of scale. They also positioned that the next wave of healthcare would be an integrated platform for e-pharmacy, e-diagnostics and tele consultation, and consumers would then be totally captive primarily taking market share from traditional hospitals, diagnostic centers, and retail pharmacies. While a few of these companies have survived and have acquired some consumers for wellness testing services, we have neither seen them be able to build significant scale in wellness, neither have they been able to convert consumers from wellness to illness testing as they don't enjoy the trust of doctors and the integrated platform has not been successful for any firm so far as the engagement with consumers is primarily transactional and the conversions between e-pharmacy to e- diagnostics etc., have been quite low. The digital channel has primarily become an additional channel that brands can use to provide a different engagement preferred by some customers. However, this has not proven to be a large channel for new consumer acquisition. The business built by the digital competitors and new brick and mortar competitors have largely been in the tail of healthcare where brand and service matter less

and price and discounts matter more. Therefore, leading incumbent players in the hospital space, diagnostics space and pharmacy space have only grown as their original businesses were not built on price and discount but quality and service.

At Metropolis, we have always built our business on the back of generating demand for B2C via specialist doctors who care about quality and large test menu and service, and B2B from the best quality customers who care for quality of report and consistency of service, and through this period of chaos, we stayed focused on providing excellent customer experience, and offering premium wellness packages with utmost quality, accurate results and faster turnaround times and continuously bringing out new innovative tests that keeps us relevant and differentiated in the doctors mind. While others played on low prices, we were able to keep our routine test prices constant and increase our specialized testing prices by strengthening the brand and product of the company.

Reported revenues declined for the industry due to the pandemic ending and Indian customers moving to Rapid testing rather than PCR. This impact profitability as well due to an increase in labour costs and overheads. But since this happened at the same time as new competitors entering the market, there was confusion over the cause of revenues and profits dropping. Over the past 18 to 24 months, the industry trends point to a decline in growth for unorganized players and the organized industry, including new players, growing faster. This shift can be attributed to consumers gravitating towards larger brands that offer enhanced customer experience including digital experience. As a result, unorganized players in the market have faced challenges and have not been able to either increase prices or volume compared to pre covid. Furthermore, due to the absence of a regulatory environment that benchmarks or validates labs, there is an assumption among consumers that the 2000 labs government approved for

Covid PCR tests are the more advanced ones compared to the 300,000 labs in the unorganized sector. Consequently, they are migrating to these 2,000 labs which will propel the organized sector on the path of growth in the long run.


As new brick and mortar players came in, some from hospital, pharmacy, and pharma backgrounds and some from non-health care, the industry experienced some pricing pressure, specifically for companies relying heavily on franchise pushed semi-specialized tests selling more on price. This is an easy entry point into the industry which requires little expertise and focuses on price as the main USP. Without any structural cost advantage, this model is only a race to the bottom and is resulting in losses or single digit margins for new competitors even at high volumes. At Metropolis, we have built our business the harder way, using scientific expertise as the main moat and going doctor to doctor and winning their trust on the most complex and advanced tests for critical patients where quality is the most important factor to the doctor to make a decision for the patients' treatment. This moat is hard to replicate for all the above players including hospital chains as their expertise is in treatment and not in diagnostics, in the doctors' mind.

The year under review

Despite concerns due to pricing pressure and competitive intensity, we, at Metropolis, have grown 15%

in our core business (keeping aside acquisition, PPP and covid testing) and even maintained strong growth and performance in our core markets like Mumbai and Pune. Pricing has not been a major concern for us as customers come to us when they are unwell and in need for critical testing when pricing is not their key concern. This is an outcome of the trust and quality offered by us. Our focus on scientific expertise, brand reputation, and building trust among doctors and consumers has positioned us as the diagnostic service provider of choice. With the rise in diseases and normalization of non-covid testing, organized players like us are expected to benefit and experience faster growth compared to those focusing primarily on discounts. Our strong relationships with doctors and customers will contribute to a more sustainable and gain recurring business.

It was a challenging year for Metropolis due to concerns around the industry dynamics, change in CEO position, a tax search, and the innumerable rumours around investment into Metropolis and the promoters' intent to sell the business, and it was also a critical year for Metropolis 3.0. We clarified to the stock exchange and investors that the rumours were just that and as the main promoter, I had no intent to sell the business for cash. We also clarified that we cooperated fully with tax authorities, and nothing was seized from our



Despite concerns due to pricing pressure and competitive intensity, we, at Metropolis, have grown 15% in our core business (keeping aside acquisition, PPP and covid testing) and even maintained strong growth and performance in our core markets like Mumbai and Pune.

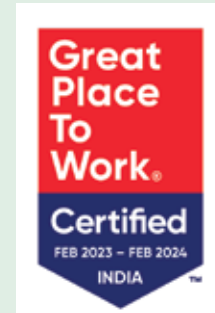
offices, and we will keep updating the market if any concerns are felt regarding the impact on the financial results due to the tax search.

While challenges like steep drop in Covid PCR testing, entry of new competitors in the market during the pandemic, increased market intensity, and digital adoption by consumers impacted the momentum of business in 2022-23; in FY 24 and beyond, the structural opportunity for Metropolis continues to be robust. Furthermore, we remain steadfast in our commitment to excellence in execution and have prioritized enhancing the quality of our business over the past year. We have successfully retained and expanded our talented workforce, significantly grown our network, and developed substantial new capabilities that will contribute to our future success. We are also working towards deepening our capabilities in Molecular Diagnostics, Oncology, Cytogenetics, and other areas. During the year, we successfully launched some complex tests using Next Generation Sequencing (NGS) Technology for Pre-natal screening, Breast Cancer, Bone Marrow Transplant and Allergy Component Testing powered by Artificial Intelligence.

During the financial year, our achievements in few business areas were recognized by reputed organizations and industry bodies. It gives me immense pride to inform you that we became the first company in the Indian Diagnostics chain industry to receive the 'Great Place to Work For' certification for building a commendable organization culture. We also got multiple accolades for excellence in high-end diagnostics, Innovation in Patient Centricity and Advocacy, Cancer Care, Child Health, Customer Experience and Supply Chain.



It gives me immense pride to inform you that we became the first company in the Indian Diagnostics chain industry to receive the 'Great Place to Work For' certification for building a commendable organization culture.



Operational and financial highlights

Our B2C revenue has grown 20% for the period 2022-23, indicating our strong doctor and consumer connect across markets. This is more so in our focus cities like Mumbai and Pune where we are already leaders, but we still have only 15% market share and still have a long runway to growth. Our growth of 18% in Mumbai and 23% in Pune depicts our strong brand presence in our core geographies and the large opportunity that lies ahead.

Our specialized and premium wellness segments are the fastest growing. The revenue contribution from specialized tests, excluding COVID and allied tests, stood at 16% on a Y-o-Y basis. Revenue from the wellness offerings increased by 43% on a Y-o-Y basis. The segment recorded growth of 45% in the financial year 2022-23.

In terms of financial highlights, the total revenue stood at Rs. 1,148 Crs. Non-COVID revenue for the financial year 2022-23 stood at Rs. 1,104 Crs, growing at 18% on a Y-o-Y basis (including Hitech) while the non-COVID EBITDA stood at Rs. 276 Crs. EBITDA before CSR and ESOP stood at Rs. 304.4 Crs in the year and the

EBITDA margin before CSR and ESOP stood at 26.5% for the same period. While Profit after tax dropped in FY 23 compared to the previous year, this was primarily due to covid testing drop. In FY 24, we envisage the PAT margin to grow on the back of low interest cost on account of debt repayment by H1 of the financial year 2023-24.

PPP contract and Hitech

Excluding Covid testing, Hitech, and the PPP contract, which is not our primary focus, our core business revenue exhibited a 15% year-on-year growth in the fourth quarter, effectively bringing it back to pre-pandemic levels. This same growth rate of 15% was also maintained throughout the entire year FY23. On the PPP front, we secured a small new contract in Delhi, which is a growing market for us, making deeper in-roads in our non-core geographies. We have partnered with Mohalla clinics in Delhi to deliver good quality test reports to those patients who cannot afford it. I would also like to inform that one of the PPP contracts which had a 5-year term ended in Q4. The impact of the end of this 5-year PPP contract was an outcome of the

government's decision to internalize the testing. While this has influenced our fourth-quarter figures, we have always maintained that PPP is not part of our growth strategy, and we will only do PPP in very specific cases. The very positive news is that our core business revenue at 15% is outpacing the market and our competitors, driven by a 13% increase in volume and a 2% rise in RPP for the entirety of 2023.

Hitech was strategically aligned with Metropolis to broaden our brand presence among middle-income consumers in Tamil Nadu. We faced revenue growth challenges for approximately nine months due to the unethical actions of a competitor in the southern region of using our brand in violation of our trademark. However, we successfully protected our trademark, stabilized our operations and brand, and continued to achieve positive growth. In FY 23, we added 14 centers, built a new management team to run the business, integrated the technology offering with Metropolis and executed some cost synergies. We strongly believe in the growth potential of the Hitech business. Moving forward, our strategy will involve adding 50 additional centres within the next year, with the aim of capitalizing on the accelerated industry growth in the full year of 2024. While Hitech margins are already marginally higher in FY 23 compared to when we purchased it, our focus will also be on expanding margins through enhanced efficiency and productivity in FY 24, by leveraging our operations effectively.

Technology

We recognize the importance of technology in meeting the evolving needs of businesses, and during Covid, we witnessed digital platforms play a leading role in all industries, including healthcare. However, this trend has not continued at the same level post-

Covid, and the use of technology is now primarily around servicing consumers and enhancing their overall experience. There is a preference for digital booking and home visits among many health-conscious and tech-savvy consumers. However, we also acknowledge that a significant portion of middle-class customers, particularly those dealing with illnesses, still prefer to physically visit a diagnostic centre or request a home visit via phone. Therefore, we have been maintaining an equal emphasis on both our digital platform and network expansion strategy to cater to the diverse preferences of our customer base.

Altogether, we are increasing our digital presence by developing and integrating a fully scaled applications programming interface and a full-fledged customer relationship management stack for service, sales, and marketing with customer data platforms. We are also enhancing our B2C applications which will offer a 360-degree approach to consumers for better life management.

Evolution to Metropolis 3.0

In India, if you see on average, approximately 6% of people in the country gets sick at any given time. Our Businesses was solely dedicated to this market (with acute diseases). We are now focusing not only on the 6%, but also on the 94% of India, which includes healthy and chronically ill people. And moreover, the phase of Covid has encouraged consumers to be health conscious and proactive, and for us to additionally focus on D2C (Direct-to-Consumer) which was never the market before. As a result, Metropolis embarked on a 3.0 journey to serve the large consumer base in the chronic and wellness segment.

To give you a historical background, Metropolis 1.0 was all about building

the brand amongst top labs and hospitals and setting up strong operations, primarily in the quality b2b space. Metropolis 2.0 from 2015 onwards was a pivot to growing the b2c business and making it the largest contributor to the overall revenues. The added lever of the B2C business via prescriptions from top specialists' doctors and servicing the patients through large number of collection centres across the country, helped us move from 34% B2C in 2016 to 50% B2C contribution in FY 23. In one line, Metropolis 3.0 is about additionally speaking directly to consumers, who could be well or unwell and creating an engagement with them to make decisions for their wellness and chronic testing needs. This will allow us to increase our routine business on the back of our brand, which has the highest margins amongst all test categories.

With adequate resources available and with a strong plan in place, we went on to utilize this opportunity to better understand consumer needs and meeting them through technology and superior customer experience. This enabled us to focus on the untapped market of affordable and wellness and chronic testing which have not been a focus for Metropolis before. And as we have always done, we have been doing it in a profitable, sustainable, organic manner rather than through the cash burn model. We have strengthened our density of centres in focus cities for consumer convenience through targeted network expansion and home visits. This has led to an increased B2C ratio, as we have seen in the past. We are also building operational excellence to enhance stickiness with customers. As we increase our scientific engagement with top doctors and hospitals of India, this will result in the increase in specialty business and differentiating our brand. We believe

the Metropolis 3.0 journey, which is our digital footprint coupled with lab and network expansion will create a long runway of growth giving us the confidence to achieve the growth seen in pre-covid levels.

New CEO on board

One of the most important strategic decisions we made last year was to hire a new CEO, Mr. Surendran Chemmenkottai, who would work alongside me to drive the Metropolis 3.0 journey. Surendran is a veteran in the consumer facing industry with over three decades of experience across the sector. Surendran holds an exceptional track record of building strong teams and consumer services businesses which will be critical in establishing Metropolis as a strong and preferred consumer brand. With his vast expertise, we will be cementing our leadership position across our core markets as well as increasing market share and brand positioning across geographies for Metropolis. He joined in January 2023, settled in and took the reins to deliver the Annual operating plan for FY 23-24. While he will focus on the execution and operations, I will continue to spearhead strategy, culture, talent and people and governance.

Integrating sustainability for good health

At Metropolis, we strongly believe in promoting wellness as a comprehensive approach to individual health and lifestyle. To achieve this, we have implemented various Environment, Social, and Governance (ESG) initiatives. Our focus is primarily on energy conservation, water, and waste management, as well as enhancing diversity and inclusion within our organization. We are committed to improving our diversity and new hire ratio and have launched a dedicated programme for women's leadership. Furthermore, we prioritize diverse and accountable governance by partnering with external consultants, upholding high ethical standards, and ensuring the

security of data infrastructure and identity. From the governance standpoint, we are also considering patient privacy and electronic health records. To monitor our progress consistently, we have established targets for each of these initiatives and track our advancements accordingly.

Note of Gratitude

We are bolstered by togetherness and the strength of our relationships with our valued customers and shareholders.

I would like to extend my gratitude to our employees, doctors, partners, and teams, for ensuring continued business success. I would also like to use the opportunity to thank all





the members of the Board of Directors for their invaluable leadership and deep insights through their wide-ranging experiences.

We have built a strong foundation upon which we can achieve the remarkable, strategically and sustainably in the years to come. I also wish to thank to all local, state, and national governments where we operate for their continued support and collaboration.

Sincerely,

Ameera Shah

Managing Director

Looking Forward

Expanding network

In the next three years, we have plans for aggressive network expansion with additional 2500 collection centers, much higher than our original plan of 1500. Our focus will be on deepening our presence in our core geographies, specifically in Tier 2 and Tier 3 towns where Metropolis is already recognized as a trusted brand. Additionally, we are expanding into new markets in the North and East regions and have experienced successful growth in these areas.

Focusing on wellness testing

We have developed data-driven and scientifically backed wellness packages, which are promoted to consumers through our direct-to-consumer (D2C) engagement model. We firmly believe that wellness will play a vital role in driving Metropolis' growth in the future. Unlike many competitors in the industry, we do not rely on price as our unique selling proposition (USP). Instead, our brand promise is centred around providing valuable content to improve health, ensuring accurate test results, and offering a seamless and convenient experience with Metropolis at the click of a button.

Building scientific brand leadership

We are constantly focusing on making Metropolis as a scientific leadership brand where we focus on innovation and R&D, bringing solutions for chronic diseases, new tests with advanced technologies among others. Our integrated approach always remain to be at the forefront to serve our customers with high valued experience and accurate test results. The trust and reliability of our customers on us is the greatest testament of our leadership in the industry.

Focusing on specialized test menu

Metropolis has the widest range of test menu under one umbrella, and we are continuously adding more tests. In 2022-23, we added 83 new tests. In the next three years, we will add 300 plus super advanced tests, continue to engage with the scientific community, educate them on the better and alternative tests available with Metropolis and add one test every three days. We are also adding people in our sales team to strengthen and accelerate our doctor engagement activities in our new geographies to gain doctor's trust for higher volumes, especially for specialized tests.

Strengthening our IT infrastructure

We have been driving significant growth via digital channels. We have also evolved from being only scientifically focused pre-Covid and driving doctor-led B2C business to now also being a brand-led business driving D2C testing. We have built our new technology stack with a new and improved app, redesigned our website, and created a new channel via WhatsApp messenger. This will help us serve all our customers better and drive more efficiencies in the business.

STRATEGIC PRIORITIES

Embracing Strategies that Define our Path

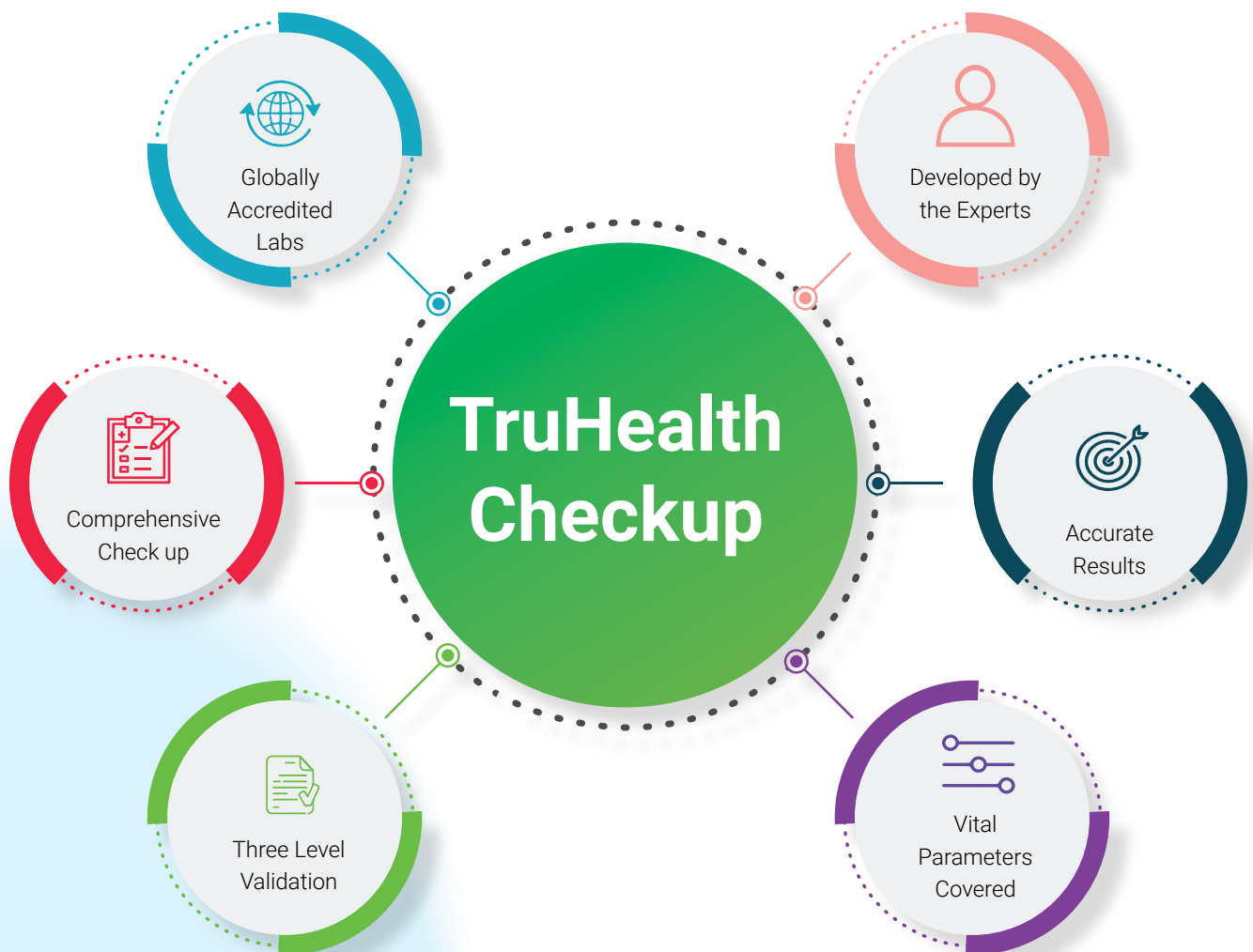
In a dynamic industry environment, we have developed a good long-term strategy to grow effectively, financially, and sustainably. We have rested our faith on this strategic plan to distinguish ourselves as a trusted pathology specialist and a go-to choice for our customers.

S1

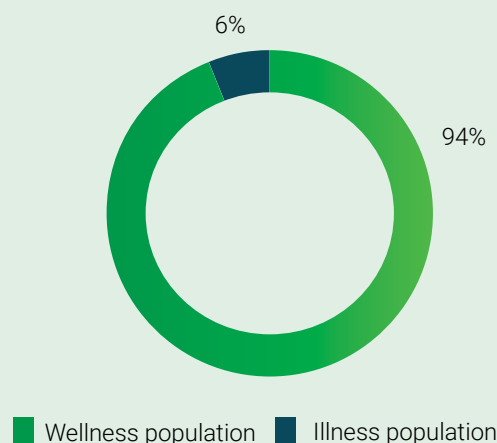
Focusing on inner wellness

Our inner health plays a crucial role in defining our wellness and is vital for achieving life's long-term goals. Our job and personal lives require us to be at the top of our game, be active to pursue our hobbies and be healthy to spend time with our loved ones. Metropolis cherishes these moments and desires for you to treasure, while having excellent inner health.

We have introduced Truhealth packages developed by experts for a comprehensive evaluation of inner health wellness. It helps our customers monitor and maintain their inner health parameters better, so they are always ready to achieve their dreams.



Target population for the diagnostic industry



Our focus remains on 94% of the population, which has the potential for wellness testing.

Our strategies

- Offering premium wellness packages for our core markets
- Focusing on value wellness packages for non-core markets
- Upselling routine testing patients to bundle testing (wellness packages)
- Digitally linked upselling for chronic patients (notifications/pop-ups/offline outreach)
- Offsetting competition intensity in our B2B semi-specialized segment

Truhealth packages*

Make health your No. 1 priority!

TruHealth Youth

₹7,140 ₹4,000

This package covers tests for your vital organs along with important tests like Vitamin D, HbA1c, thyroid profile & Vitamin B12.

Tests included
28 Parameters

Report Availability
Next Day

TEST ASSURED. REST ASSURED.

Package available in Mumbai, Pune, Chennai & Bangalore

Super Care For Super Dad

Get up to 71% off on health packages for your dad!

TruHealth My Dad My Hero Package
(Test Parameters : 32)
₹10100- ₹2999

TruHealth My Dad My Super Hero Package
(Test Parameters : 36)
₹12425- ₹3999

To book a test:
☎ 982-782-005
🌐 www.metroplusindia.com

TEST ASSURED. REST ASSURED.

Package available in Mumbai, Pune, Chennai & Bangalore

This Women's Day take charge of your health!

#StartWithYou

You go above and beyond to care for your family. But what about you? Starting this year, take the first step towards prioritising your health.

Packages	Super Women - Super Care	Women Plus One (Wonder Women + Wonder Girl)
Parameters	78	49 + 48
MRP	₹9775	₹11712
Offer Price	₹3999*	₹3999*

Call or Whatsapp 'Hi' to 8422-801-801

TEST ASSURED. REST ASSURED.

📞 📧 📱 📺

*The above marketing communication creatives are just for representation purposes. The actual prices of health packages may vary.

S2

Expanding the network

We aim to expand our network in the existing locations to strengthen our leadership position. Additionally, we plan to enter strategic locations to penetrate the newer markets, specifically in the states of Madhya Pradesh, Maharashtra, Gujarat, Uttar Pradesh, Orissa, Jharkhand, West Bengal, Assam, Telangana, and Andhra Pradesh, among others.

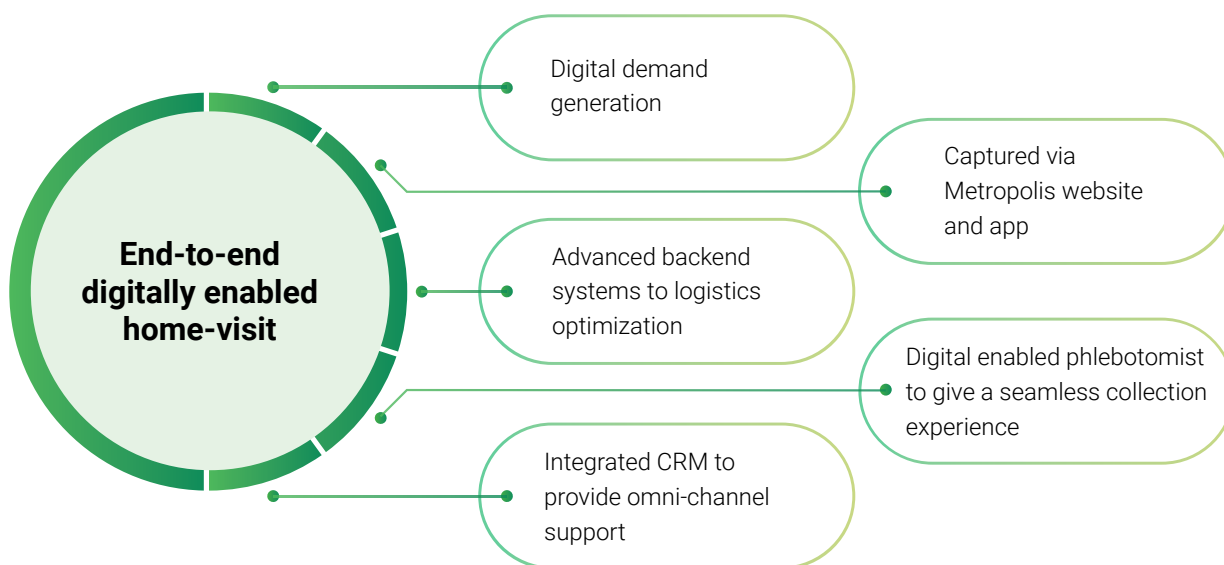
Benefits of the expansion of labs

- Inaugurating labs faster, leading to early monetization
- Providing larger test menu to a wider, newer market
- Increasing the visibility of Metropolis brand across India
- Marking better margins through better productivity

S3

Strengthening asset-light home-visit segment

We are strategically designing our digital-driven home visits to increase efficiency and effectiveness. With the increasing awareness among consumers on preventive healthcare and the adoption of digital technology, we aim to increase the home visit contribution in the next 3 years gradually.



Our five assurance factors

Asset-light

Rapid scale-up through technology-driven processes + third-party network

Capturing changing demand

Robust shift in 'at-home' consumption of healthcare service owing to the Covid-19 pandemic

Margin accretive

Better margins provided by home visits, improving the overall profitability of the business

Recipe to enter 'Bharat'

Expansion into fast-growing Tier 2 and Tier 3 cities of India, which are still largely 'unorganized'

Productivity + asset utilization

Driving demand beyond the immediate catchment area of the existing centers

S4 Providing customer-centric services and offerings

- ➔ Designing our services to increase engagement with our customers using technology in novel ways
- ➔ Improving and upgrading the overall standard of quality and test accuracy
- ➔ Making our complex testing faster with on-the-spot testing
- ➔ Reducing turnaround time for complex tests

S5 Targeting inorganic growth through acquisitions and integrations

Build industry best practices

Integrating standardized machines and SOPs in a phased manner, resulting in efficiency and quality enhancement

Access to Metropolis network

Providing acquired entities access to Metropolis sales and marketing network to improve the customer experience

Test menu enhancement

Introducing the Metropolis' range of test menu to increase the capabilities of the acquired entity and thereby enhance customer experience

Brand strength

Metropolis brand helps the acquired entity to strengthen its position in the local market

S6 Margin improvement & Cost minimization strategies

Levers for Margin Improvement

Increased Utilization and Product Mix

Maximum utilization of labs and increase in patient visits coupled with enhanced product mix

Cost Efficiency Initiatives

Encouraging innovation and critical thinking resulting in operational efficiency & cost effectiveness

Increased Revenue & Throughput

Increase in revenues resulted in economies of scale benefits, which, in turn, led to strong profit margins

Automation

Implemented automation & digitization across all processes to effectively control unnecessary costs

Increased Home Visits

Boosted revenue from home visits by implementing targeted marketing initiatives and expanding the coverage of our services

BUSINESS MODEL

Embracing our Ability. Achieving Financial Prosperity.

INPUTS



Financial Capital

As a Company, we primarily use debt and equity raised from our investors and creditors.



Service Capital

We leverage our service network labs and state-of-the-art laboratories.



Intellectual Capital

Our digital ecosystem and knowledge-based tangible assets, blended with our ethos, help us deliver effective customer service.



Human Capital

We train and nurture the skills and experiences of our employees to conduct diagnostic tests carefully and accurately.



Social and Relationship Capital

Our relationship with our communities, customers, partners, doctor partners and the Government enables us to exhibit superior business performance by delivering excellence in meeting our customer needs.

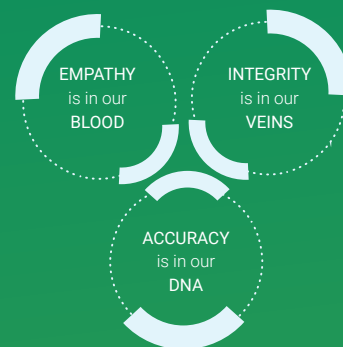


Natural Capital

We believe in being responsible towards the environment and its preservation.

VALUE-CREATION APPROACH

OUR VALUES



FOCUS AREAS

- Expanding the network aggressively to establish better connections with our customers
- Creating frictionless customer engagement, using technology
- Becoming an end-to-end digital service provider not only for customers but also for all our stakeholders
- Exploring ways to boost the productivity of the existing young network

STRATEGIC PRIORITIES

- Achieving leadership position in existing geographies and tapping new geographies
- Establishing presence as an end-to-end digital service provider
- Increasing pathology services
- Becoming the preferred go-to diagnostic service provider in the market
- Increasing wellness services for consumers
- Building a scientific brand leadership

RISK AND OPPORTUNITIES

- Regulatory
- Competition



OUTPUT AND OUTCOMES

Financial capital

- Revenue from operations amounted to Rs. 1,148 Crs
- Revenue growth for B2C increased by 20%
- EBITDA Margin reported at 25.5%

Service capital

- More than ~4,000+ tests and profiles
- 25.3 Mn Tests and 12.2 Mn Patient visits in FY 2022-23
- Over 12,000 patient touchpoints

Intellectual capital

- Focusing on integrating artificial intelligence into diagnostics
- Integrated CRM to provide omni-channel support
- Digital enabled phlebotomist to give a seamless collection experience
- Launched a chatbot (Metrobot) to support doctors in providing enhanced services to patients

Human capital

- With over 60% of the workforce belonging to the millennial generation, the team is young, enthusiastic, and motivated
- 5,000+ highly skilled and motivated employees
- Workplace equality and a strong work culture

Social and relationship Capital

- We have been at the forefront of organizing impactful camps and leading numerous workshops for various segments of society
- To make a difference in the lives of those we touch, we collaborate with communities, corporate groups, educational institutions, government bodies, NGOs, wellness foundations and a variety of other organizations
- We have identified four distinct areas to contribute and truly make a difference through well-designed Programmes

Natural capital

- We have replaced all the traditional light with LED lights in all our corporate offices and labs to save energy
- Our EHS policies, and its standard operating procedures, apply to our Company and its subsidiaries
- Being a responsible organization in the healthcare industry, Metropolis makes great effort to ensure the safe disposal of biomedical waste are done through recognized agencies authorized by the Pollution Control Board.

SDGs IMPACTED



STAKEHOLDER IMPACT



Shareholders

We aim to deliver consistent, competitive, profitable and responsible growth



Our people

We aim to reward people fairly for the work they do, while helping them find their purpose so they become their best selves at Metropolis



Customers

We aim to provide accurate test results along with best-in-class home visit services



Our partners

We have established strategic partnerships with third-party patient service centers in India, Africa and the Middle East to expand our geographic reach



Government

We provide best-in-class service to the Government contracts we receive



Society

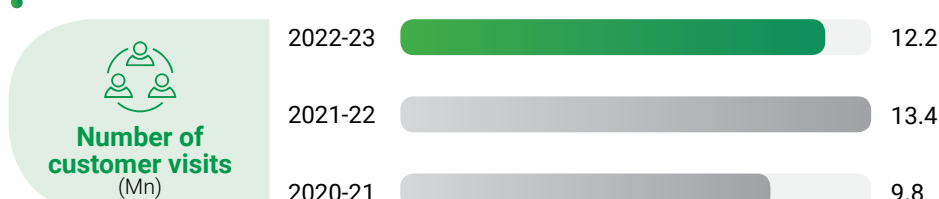
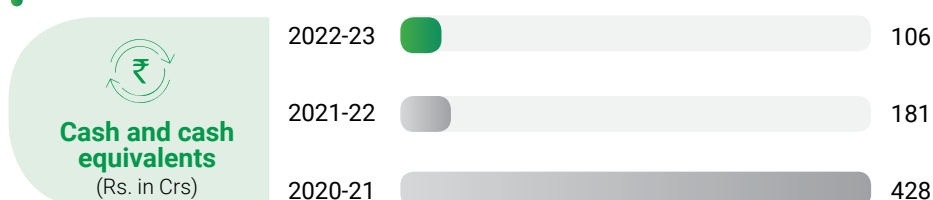
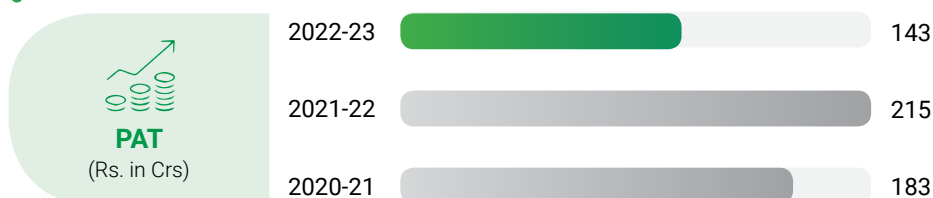
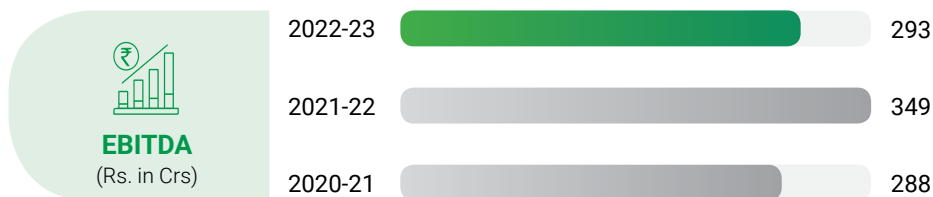
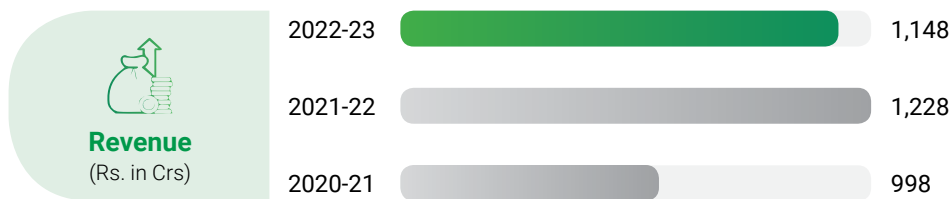
We believe in contributing to a healthier planet while striving to ensure a fairer and more socially inclusive world.

FINANCIAL CAPITAL

Embracing our Strengths. Delivering on Expectations.

We strive to provide optimum returns to our investors. Our business growth is aligned with providing best-in-class diagnostic services to our customers and making best use of profitability across the organization.

A Strong financial performance in a challenging environment and optimum returns to investors





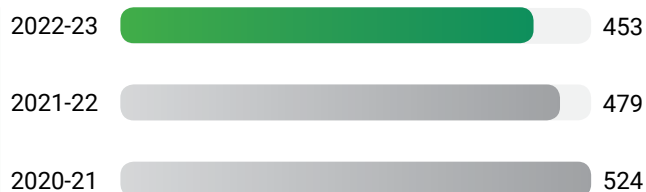
Revenue per patient
(In Rs.)



Number of tests
(Mn)



Revenue per test
(In Rs.)



EBITDA: Earnings before interest, tax, depreciation, and amortization

PAT: Profit after tax excluding exceptional items

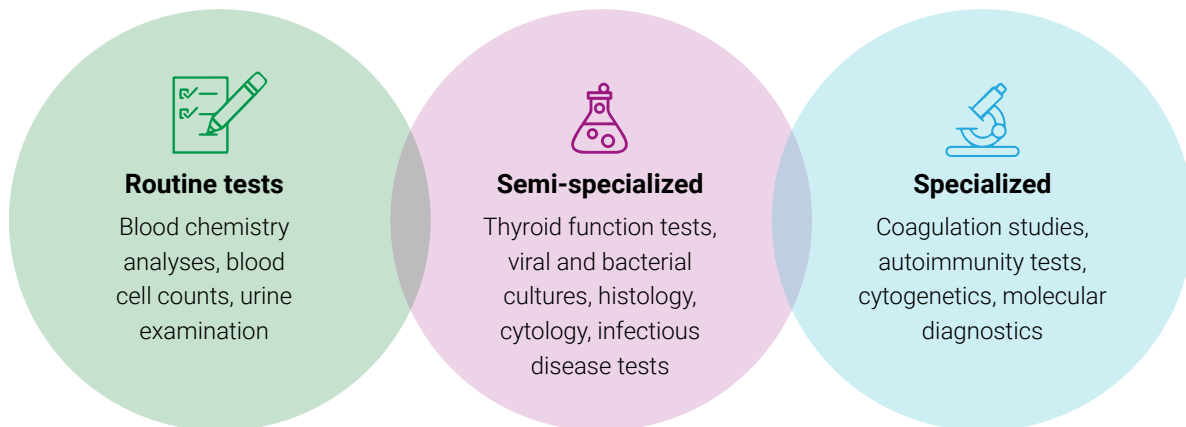
SERVICE CAPITAL

Enhancing Geographic Presence. Delivering Remarkable Customer Experience.

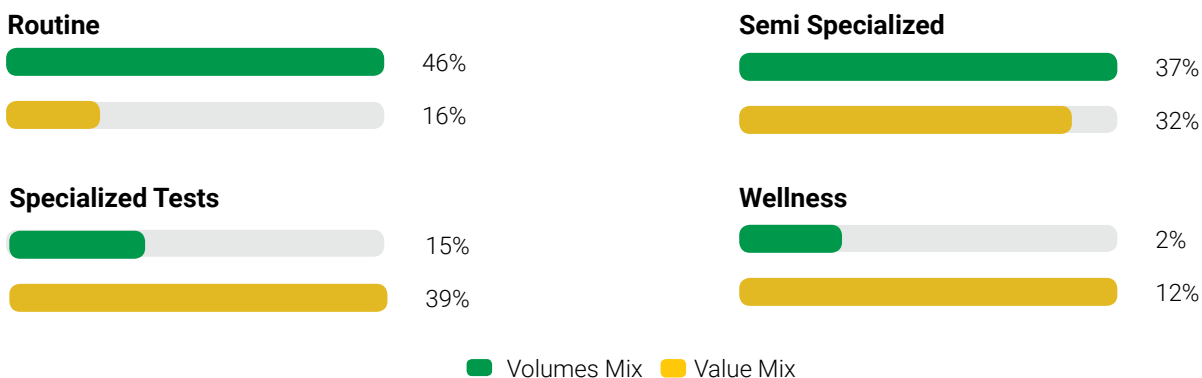
Enabling outstanding customer experience through growing geographic presence

Metropolis aims for excellence in customer service. We have taken several steps to enhance our customers' experience. We offer an extensive test menu for pathology services backed by state-of-the-art technology to deliver accurate test results. We have initiated measures to provide a seamless experience for the customers and ensure a faster turnaround for delivering test results. We are also expanding our reach to newer geographies to enlarge our customer base and spread our business reach.

Our test categories



Metropolis test mix

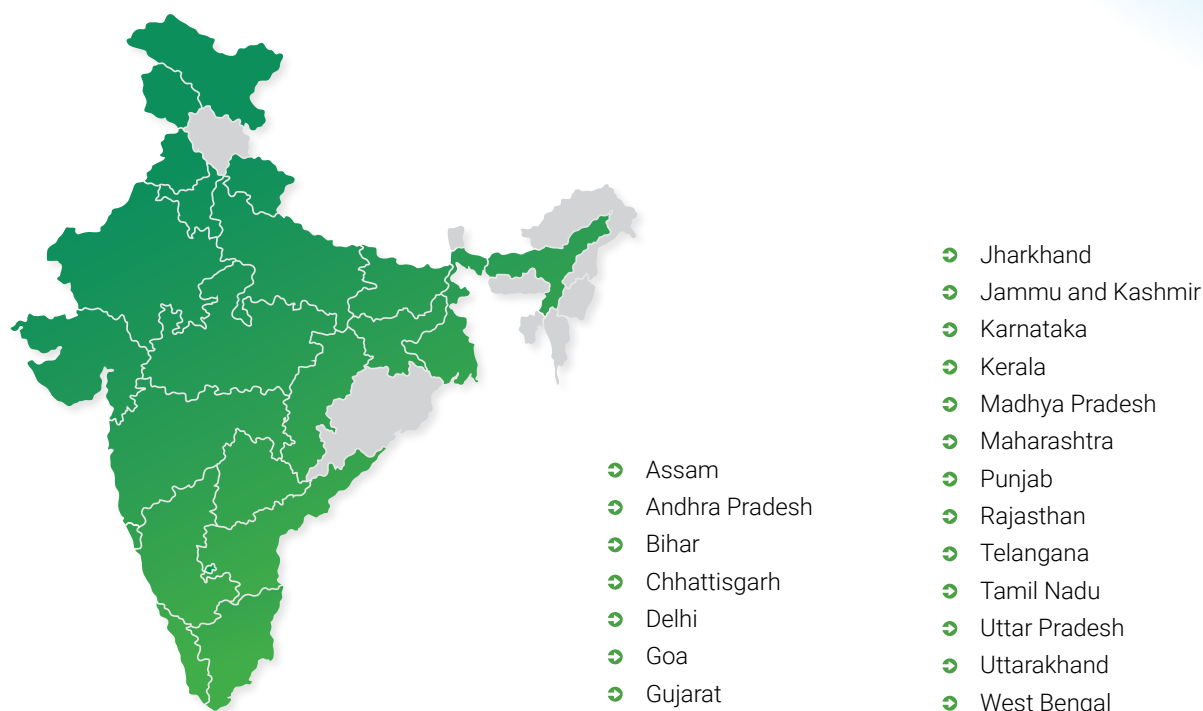


Network expansion strategy

- We focus on an asset-light model to achieve geographic expansion with high scalability
- We have designed the A-PSC and D-APSC models to grow our revenues by providing management and branding support at the same time, continuing to focus on increased penetration in our PSCs
- We aim to better leverage our existing infrastructure by establishing a wider geographic reach, expanding the customer base and increasing profitability
- We have established strategic partnerships with third-party patient service centers in India, Africa and the Middle East to boost our geographic reach

Expanding geographies

Metropolis has a widespread reach across India. We are a growing company with a presence in 20 Indian states and nearly 200 cities. We are aggressively focusing on network expansion to widen our customer base.



Map Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

Servicing our customers

Easy to interpret test report

We offer our patients a detailed test report, which covers trend analysis and patient-specific interpretations and comments by our doctors for certain tests and conditions

Conclusive diagnostic

We also have a policy of ensuring a conclusive diagnosis to our patients, even if it involves incurring additional costs for us, by way of rechecks and reflex testing on alternate technology

Sample collection at doorstep

We have increased the scope of our Home Collection Service to ~200 cities in India

Digital access

We have developed a mobile application for

- Scheduling house calls
- Accessing test reports
- Receiving test reminders
- Registering online requests for billing information

INTELLECTUAL CAPITAL

Embracing Technology. Facilitating Digital Transformation.

Continually upgrading technology to build a seamless digital ecosystem

Diagnostic testing calls for constant research and development and upgradation of testing techniques. We are in search of advanced solutions to provide diagnostic testing to our patients. Our state-of-the-art technology attracts customers for its easy sample collection and accuracy in test results. We are constantly endeavoring to upgrade our testing methods and technology to deliver the best test results to our customers.

Digital ecosystem to enhance customer experience

At Metropolis, we are building a comprehensive digital ecosystem for all our clients, partners and medical professionals. We have fully integrated and automated procedures ranging from registration, bar-coding and billing to analysis and reporting of test results with the help of our information technology system.

Standardization

Achieve standardization across our operations

Reduced errors

Reduce incidences of errors due to human intervention

Technical operations

Monitor technical operations through enhanced IT systems

Performance metrics

Track our key performance metrics closely

Patients and customers

Provide convenience to our patients and customers by allowing them to book appointments, complete registration and access test reports online

Digital transformation of our business

Our plans

- ➔ Enable a fully scaled application programming interface (API) centric tech core
- ➔ Integrate full-fledged customer relationship management (CRM) stack for service, sales and marketing with customer data platform
- ➔ Install omni-screen point-of-sale application for registration and invoicing
- ➔ Install newly architected LIS with middleware for auto validation
- ➔ Enhance B2C App
- ➔ Install a directory of services 2.0 (DOS) for faster creation of products and packages
- ➔ Integrate supply chain (SCM 2.0) with visibility of consumption and planning
- ➔ Enable a B2B portal (partner portal) adoption drive
- ➔ Consolidate cloud data center
- ➔ Acquire near real-time business intelligence

Advantages of Digital Transformation



Digital
leadership



Faster go-to-
market



Easier integration with
government and private
entities (Ayushman
Bharat Digital Mission,
aggregators, hospitals)



Omni-channel
acquisition and zero
loss of business at
touchpoints



Improving
turnaround time
(TAT)



360-degree view of
customers



Data-driven
business
(analytics)



Improving net
promoter score (NPS)

Emerged as an end-to-end digital service provider of diagnostic tests

Our goal is to establish Metropolis as an end-to-end digital service provider for all of our stakeholders, including clients, vendors and partners in the healthcare industry.

Digital customer engagement

Planned to launch an end-to-end online journey for customers on the Metropolis website and app

Digital doctor experience

Launched a chatbot (Metrobot) to support doctors in providing enhanced services to patients

Optimizing online presence

Optimized digital presence across search and local discovery services to drive customers in our centers

Digitalizing distribution and logistics

Launched a unified patient information system, leading to reduced time for data entry, processing and enhanced staff productivity

Digitalizing customer support

Launched custom-built CRM to provide omni-channel customer support with high agent productivity

Enabling our phlebotomists

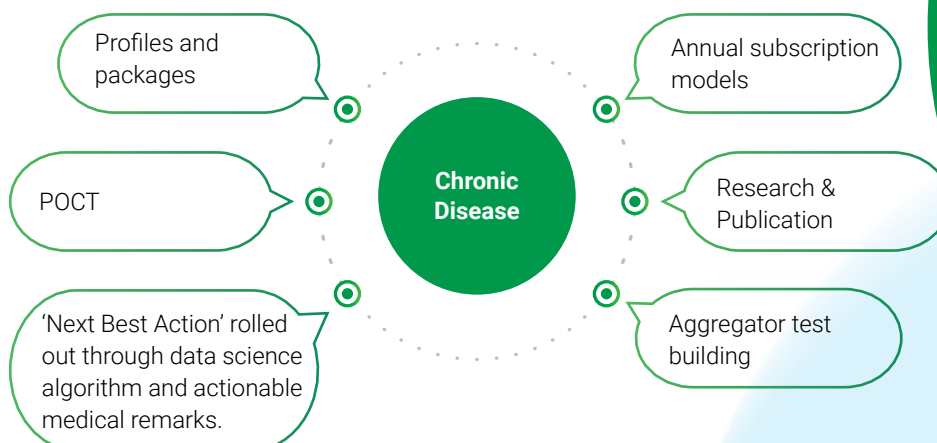
Planned to launch a 'Home-visit' app for our phlebotomists, leading to higher productivity and enhanced customer experience

Building a scientific leadership brand

New tests, R&D

- New tests on advanced technologies: AI Driven Multiplex Nanotechnology Array, LCMS, CGH Array, and WSI
- NGS Tests launched (NextGen NIPT- Non-Invasive Prenatal Screening test, NextGen BRCA, NextGen HLA Typing, Next Gen Cancer Hotspot panel 50, Next Gen Oncomine Focus Assay) and more in pipeline.
- Companion Diagnostics CDx
- Artificial Intelligence

Chronic Disease



Innovation Cell R&D

Scientific Brand



83

New Tests added in FY 2022-23

200

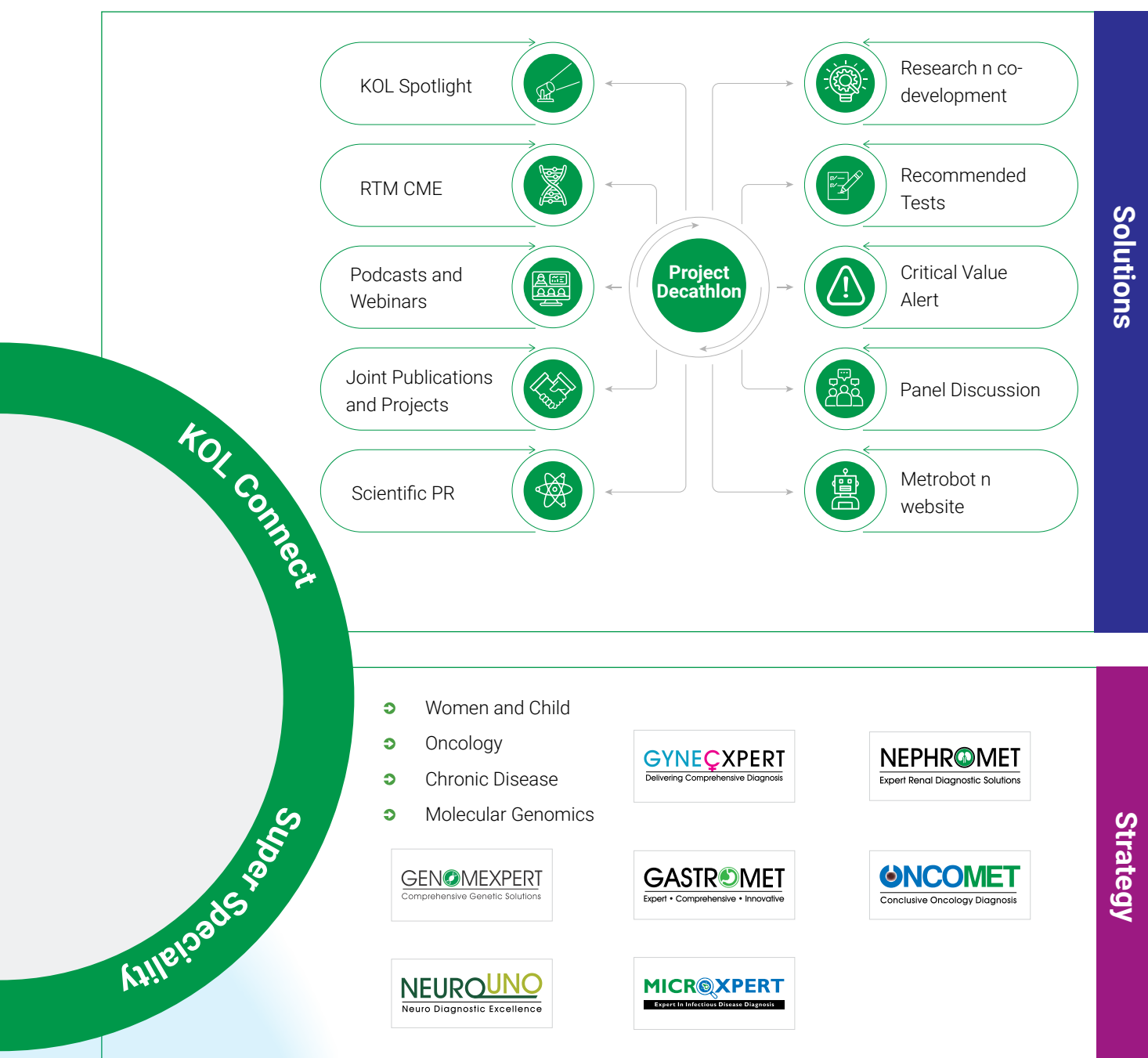
CMEs (Continuing Medical Education) and RTMs (Round Table Meetings) with doctors conducted in FY 2023

10,000

Doctors reached through 1-on-1 connects

20,000

Doctors reached via Digital Channel (Metrobot)



Innovation is in our DNA

Being a leader in diagnostics, Metropolis has always been at the forefront in introducing various technologies, tests and platforms that can directly ensure an accurate timely diagnosis to the patient. In line with this, the Company launched the **Metropolis Innovation Cell to focus on Molecular Genomics, Superspeciality Pathology, and Companion Diagnostics**. The goal has been to nurture and expand the scope for Oncology, Prenatal testing, Transplant Immunology, infectious and chronic diseases through **Next Generation Sequencing and Artificial Intelligence**.

KEY COMPLEX TESTS LAUNCHED

- **NextGen NIPT- Non-Invasive Prenatal Screening test** is a more advanced method for prenatal screening that uses circulating DNA from maternal blood and advanced genomics platforms of Next Generation Sequencing (NGS) combined with bioinformatics algorithms to predict the risk of chromosomal disorders such as Down's syndrome (T21), Edward Syndrome (T18), Patau Syndrome (T13), Turner's syndrome (Monosomy X) etc., more accurately than traditional maternal biomarker screening tests.
- **NextGen BRCA for Breast Cancer:** It's a preventive Genetic Testing for Breast Cancer which uses the Next

Generation Sequencing (NGS) Technology to analyze genes to see if there are any mutations that may increase the risk of cancer. Mutations or abnormalities in the BRCA1 and BRCA2 genes are the most common cause of hereditary breast and ovarian cancer although there are other genes identified. This brings a higher risk of getting cancer at a younger age in men and women.

- **NextGen HLA Typing:** Powered by the complex molecular technology 'Next Generation Sequencing (NGS)', Metropolis' NextGen HLA Typing is a high-resolution molecular test, which is performed for Hematopoietic Stem Cell Transplant (HSCT) & Solid organ transplantation. This test aids in the identification of a suitable donor for bone marrow, cord blood, or organ transplant by analyzing the Human Leukocyte Antigen (HLA) genes that a person has inherited from the parents.
- **AI-powered Allergy Component Testing:** Launched a novel testing platform based on **Component Resolved Diagnostics (CRD)** to support India's population in diagnosing various forms of allergies. This 4th generation allergy testing technology uses **Artificial Intelligence** to assist clinicians in making sound clinical decisions and provides great insights into selecting and optimizing the course of treatment regarding an individual's allergic disease. The test, powered by a **Nanotechnology based Multiplex system** utilizing molecular components can easily detect specific IgE antibodies against 295 different allergens, using a simple blood test and provides results for **158 food allergens, 127 respiratory allergens and 10 contact allergens**





Leveraging IT for competitive advantage

Improving business revenue generation capabilities

- CDP & Marketing Automation providing Omni Channel Campaign Capability is expected to enhance lead generation
- Backend automation would drive quicker fulfilment and improved conversion
- Unified Profiling of customers would lead to greater cross-selling and upselling opportunities

Cost saving and optimization

- Digital Channels for B2B & D2C Engagements would optimise cost of servicing & operations
- Cloud consolidation would optimize better return from assets
- Consolidation of vendors would lead to synergy and productivity

Improved operational efficiency

- Service CRM implemented for quicker redressal of Query/Request/Complaints for improving NPS
- Tech-stack uptime better than 99.5% with enhanced security to ensure zero data loss across operations
- Implementation of sample tracking process to improve the visibility of customers' turnaround time (TAT) for reports' delivery
- Introduction of a Learning Management System tailored to training and development goals Automated Quality System to track quality standards across the group
- Feedback management aimed to increase the percentage of patients providing instant feedback and rating

MATERIALITY ASSESSMENT

Embracing Materiality for Achieving Long-term SUCCESS.

Materiality guides strategic decision-making by determining the significance of topics for an organization and its stakeholders.

A sustainability materiality assessment is crucial to identify and prioritize Environment, Social and Governance (ESG) topics, align strategies with stakeholder expectations, and make informed decisions amidst diverse ESG demands.

During this year, we embarked on our ESG journey and as a first step, we conducted a materiality assessment exercise on some key ESG topics that might impact our business. This analysis will help us in allocating resources effectively and implementing various initiatives under ESG that will enable us in making a larger impact and long-term value for all our stakeholders. Furthermore, we remain dedicated to positively impacting society and the environment, while fulfilling our responsibilities as one of the country's leading pathologists.

Achieving the remarkable through our approach and process

We conducted a materiality assessment survey digitally on the GovEVA platform to understand our Company's ESG readiness vis-à-vis global standards. The matrix for this materiality assessment was developed on the basis of the frameworks of GRI, SASB, and SDG. These assessments were answered by leadership team members across functions, ESG Champions and was reviewed by internal and external ESG mentors. The assessment followed a double materiality approach to analyse its impact on both our Company and our stakeholders.

63%

Overall materiality score achieved as of September 2022 (basis on current baseline assessment) and by the end of March 2024, we want to reach the target score of

85%



ENVIRONMENT, SOCIAL AND GOVERNANCE AT METROPOLIS

Embracing Responsible Business Practices through Environment, Social and GOVERNANCE.

At Metropolis, we recognize that true success goes beyond financial accomplishments. Our Company places utmost importance on ethical conduct and upholding the principles of good corporate governance. We are fully committed to our vision and actively collaborate with stakeholders to integrate ESG (Environmental, Social, and Governance) principles into our business operations. This holistic approach to business ensures that we align our practices with sustainable and responsible values, benefiting both our organization and the wider community.



Our ESG focus areas

Environment

Energy management



GHG emissions



Waste management



Water management



Social

Quality of care and patient satisfaction



Diversity, equity, and inclusion



Employee health and safety



Employee recruitment, development, and retention



Local communities



Governance

Patient privacy and electronic health records



Board composition, structure, and effectiveness



ENVIRONMENT

Achieving sustainability through Environmental Stewardship

At Metropolis, we recognize the importance of environmental stewardship. Towards this end, we have implemented a range of initiatives aimed at minimizing our ecological footprint and promoting a greener future.

1155 KL

Effluents treated before discharged

2,018 Liters

Reduced Fuel Consumption
Contributing to Reduction in Carbon Footprint

30%

Power Generated from Third-Party through Solar and Wind



Our Company is committed to safeguarding the environment and ensuring sustainable practices within our operations. We have put in place strategic measures and are undertaking continuous improvements in different areas of our operations to reduce our environmental impact and contribute positively to the communities we serve. This reflects our dedication to fulfilling our responsibility towards the environment and undertaking sustainable practices.

Our environment-friendly actions in FY2022-23

We have embarked on a mission to minimize our carbon footprint and have implemented robust processes to measure and monitor Scope 1, 2, and 3 emissions. We carefully analyze the environmental impact of the waste generated within our organization. We do this by diligently tracking and monitoring data related to biomedical, plastic, and e-waste, as well as other hazardous materials. We have devised a comprehensive plan with clear milestones to reduce our energy consumption and waste generation in different phases. Additionally, we conduct ESG assessments for both existing and new suppliers to ensure that they align with our sustainability goals. Some of the initiatives we have undertaken during 2022-23 to impact the environment positively are as follows:

- Installed effluent treatment plant in about eight locations for minimizing impact of water pollutions
- Installed CNG Kit in 9 vehicles; approximately 2,018 liters of fuel saved and carbon footprint reduced
- Handed over PET bottles and jars to all employees and banned disposable water bottles inside the organization; reduced plastic waste
- Replaced end of life ACs; R-32 efficiently reduce heat and electricity consumption up to approximately 10% and support efforts against global warming
- Generated 30% of third-party power through solar and wind: sourcing of renewable energy and reduction in carbon footprint
- Procured eco-friendly paper for office usage and promoting 100% elemental chlorine free products



- Switched to LED lights at all offices and labs to save energy
- Installed sewage water processing plant at The Global Reference Lab in Mumbai; recycling and utilizing treated water in flushing and gardening

We have implemented detailed practices to reduce the usage of hazardous and toxic chemicals. Some of our initiatives that align with this commitment include:

- Using non-toxic and environment-friendly chemicals for cleaning
- Processing reagents/sample mixed water in effluent treatment plants before disposal
- Segregating waste in different colored bins and covers with barcodes to be handed over to authorized partners

Our environmental roadmap for FY2023-24

- Usage of renewable sources such as solar, wind, and energy saver kit
- Conservation of water in urinals and water nozzles
- Reduction in the use of plastics
- Reduction in employee travel by launching the Black-Out Period twice in a year
- Utilization of CNG kit in all Company-owned vehicles
- Identification of specialized agencies to help us in reducing carbon footprint and cost optimization
- Management of material in lab operations to optimize cost

SOCIAL

Achieving Growth with a Strong Workforce.

At Metropolis, our diverse and passionate workforce has been the catalyst for our achievements. They embody our commitment to excellence, innovation, and collaboration, enabling us to deliver outstanding diagnostic services.

Our team is characterized by cultural diversity and is driven by their unwavering commitment to the organization and its vision. We continuously strive to create an engaging work environment that attracts and motivates talented individuals. Our organizational culture enables us to deliver value to our stakeholders, with our employees embodying the culture through knowledge sharing, collaboration, and teamwork.

43%

Women Employees

3,500+

Scientific and Technical Team

5,000+

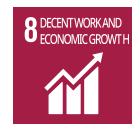
Highly Skilled and Motivated Member Base

200+

Doctors

60%

Young and Millennial Workforce



Organizational strength

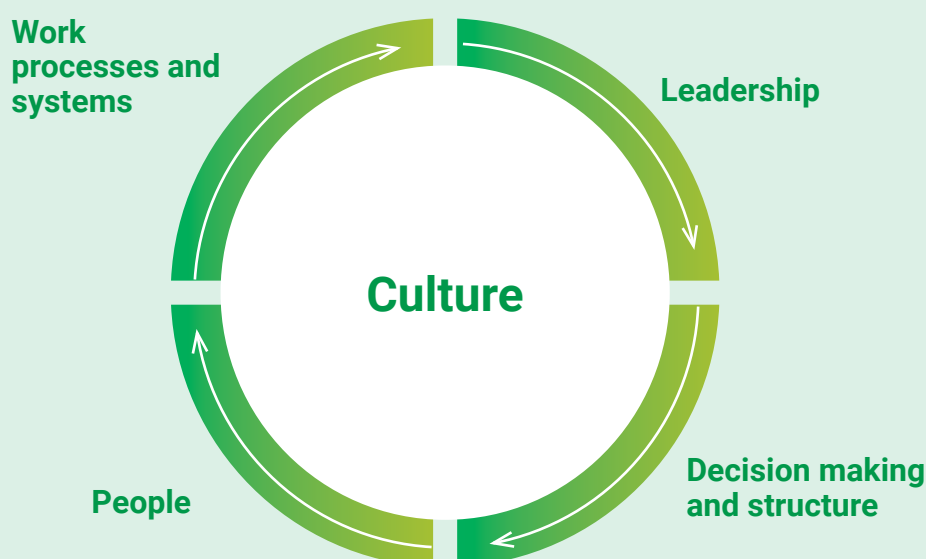
Leadership team aligned to our Company's vision

Business models keeping up with changes in the fields of technology and healthcare and agile structures supporting the operating model

Challenging work environment, with clear performance goals aligned with organizational purpose; strong scientific team led by MDs, doctors, and pathologists

HR Management System for automated process ensuring real-time employee-related data; learning management system for upskilling the talent

Strong culture and equal opportunity workplace



Organizational Imperative

Investment in future leaders across levels and ahead of time

Strengthening structures to support objectives; clear roles and responsibilities

Upgrading capabilities and skills to create talent edge for our business

Leveraging technology and innovation at every stage; ensuring superior execution of programmatic work processes

Building shared purpose and high-performance behaviors; Leveraging people, process, and platform capabilities as unique differentiators for change

Key highlights of the year

Metropolis became the **First-ever organization in the Diagnostics space** to introduce its **Employee Value Proposition (EVP)**

We initiated a **culture of Openness** through a confidential and AI-based yearly engagement survey **M Pulse**. This survey drives action planning and addresses concerns, aligning with our Employee Value Proposition (EVP)

We introduced a comprehensive, inclusive, and digital **Rewards & Recognition Programme** that empowers all Metropolis employees to acknowledge and appreciate their colleagues' contributions

We unveiled **M Connect**, a fully digital platform that provides employees with the opportunity to connect with their fellow Metropolitans. This platform serves as a means to engage with and acknowledge the contributions of fellow employees.

We promote a culture that encourages access to the Leadership Team through various channels, including HR teams, skip-level meetings, and direct interactions through Leadership Connects with the Managing Director, CEO, and CHRO

Key initiatives undertaken for our people

Culture

At Metropolis, our work culture revolves around professionalism, teamwork, and innovation. We enable our employees with opportunities for their personal and professional development, and help them collaborate with diverse teams to deliver top-notch diagnostic services. Our pool of talented employees and strong leadership are our most valuable assets, enabling us to develop innovative solutions that meet our customers' evolving needs.

We believe in providing constructive feedback and creating a motivating environment that encourages learning, adaptation, and personal growth for our valued employees.



Metropolis have introduced **Employee Value Proposition (EVP)** with five key pillars that represent the ethos viz. **Trust, Openness, Innovation, Compassion and Growth Mindset** and the essence of these pillars is reflected in **Metropolis EVP statement - 'TAKING LIFE UP A NOTCH'**. This value-driven culture of building business fosters long-term stability and strength in a company



Leadership Team launches the Employee Value Proposition (EVP) - 'Taking Life Up A Notch'

Our EVP Principles



Taking Life Up A NOTCH

“No matter how different our experiences or our cultures are, we all grow, learn, and adapt, but most of all, we believe. May it be a job that unlocks a passion, or an idea you got from an apple that falls off a tree right on the head, we are truly and quite instinctively human beings who are always reaching above the benchmark.”

With a strong sense of purpose, integrity and collective empathy, Metropolitans have no limit to discovering their potential for excellence. We are always reaching high by sharpening our accuracy and enhancing our transparency. We are driven by our research, always developing cutting-edge solutions!

As we form a crucial limb of the health fraternity, we ensure that our care is focused on the well-being of those around us, our people, and our customers. Every action and every responsibility that we take on, is a reflection of our will to create change that aims to ensure a better quality of life for our employees. Keeping this belief at the heart of what we do, we wear innovation on our sleeves, and a hat of numerous possibilities, all in the pursuit of **‘Taking Life Up a Notch’**.

Driving culture by Taking Life Up a Notch every single day

5 Key Pillars of Success



Trust

Trust within us increases our accountability and helps raise the bar of quality and accuracy in everything we do. This creates a sense of belongingness within the organization



Compassion

Contributing to society is a cause that we believe in, with ‘compassion’ as the core. Our compassion extends three ways - patient-centric, employee-centric and community-centric



Innovation

We are active seekers of challenge and are innate risk takers. Our quest to innovate encourages our teams to create ideas that have a lasting impact



Openness

We are open to listening to what our people have to say about us. As an employer, that strives to inspire and encourage its people to share their thoughts, our employees feel valued and heard



Growth mindset

We are on a quest for transformational growth. Our leaders imbibe the value of ‘collaboration’ among teams. This enables us to grow and view challenges as opportunities

Employee safety

Well-being, safety, and health continue to be our top priorities. We have designed and planned our labs and related infrastructure in a manner that ensures safety levels as per prescribed standards and norms. We have segregated our office and lab areas, and ensure that we undertake periodic fire and electricity safety checks.

We have formulated policies and guidelines to assess and mitigate various hazards and risks. The associated risk assessment procedures are mentioned in the safety manual. We also conduct regular safety audits through the Quality Control department to ensure compliance.

Diversity and inclusion

We have a diverse workforce that constitutes people from different genders, color, religion, sexual orientation, age, culture, and socioeconomic status. However, as members of the Metropolis family, they help in building a unique work culture that is centered on delivering the best services to our customers.

We follow best practices in areas such as gender equity and carefully monitor our commitment to diversity and inclusion through policies designed to promote equality for all. Our aim is to have a gender-balanced workforce to promote diversity in its purest sense.

Employee well-being and development

The welfare of our employees is paramount to us. To this end, we continuously invest in a variety of programmes across all our business operations to enhance and deepen employee engagement. Our goal is to develop a skilled workforce that will amplify customer happiness while driving overall profitability.

All our employees are safeguarded by group hospitalization and personal accident insurance coverage. Additionally, they can take advantage of both free and discounted testing. We also encourage our staff members to regularly monitor their wellness.

Pioneered diversity, equity, and inclusion in diagnostics

- ➔ Introduced 'The Full Circle - Career 2.0', an initiative that provides flexible job opportunities for women looking to rejoin the workforce after a career break
- ➔ Conducted an in-depth analysis of the hiring process and devised a future strategy aligned with our business growth plan; emphasized on the importance of gender diversity and prioritized capacity building across different genders, categories, and geographical locations

Achieving harmony through corporate social responsibility

At Metropolis, we have been at the forefront in conducting impactful camps and driving numerous workshops for different sections of the society. The company has been partnering with societies, corporate groups, educational institutions, government bodies, NGOs, wellness foundations and a host of other organizations to make a difference to the lives of people.

Metropolis Foundation, the Corporate Social Responsibility arm of Metropolis Healthcare is focused on positively impacting the lives of the people. In line with the UN

Sustainable Development Goals, (i.e., SDG 3,4,5), Metropolis Foundation's CSR initiatives are aimed towards imparting education, creating awareness on Gender, Equality, Health, and Women Empowerment.

Metropolis is currently driving various CSR programs i.e., MedEngage Medical Outreach Program, Delhi Skill and Entrepreneurship University (DSEU), Too Shy to Ask (TSTA) and Preventive Healthcare projects.

Our CSR wing focuses on core initiatives under three SDGs to build and scale impact and brand associations.

Approach to CSR goal



Too Shy To Ask

Preventive healthcare projects

MedEngage

DSEU

Contributing to the society responsibly

We are committed to making responsible contributions to the society through various program and initiatives. Our aim is to actively contribute to the well-being of the community at large.

Too Shy to Ask (TSTA) physical outreach and digital Programme

Metropolis Foundation, our CSR arm has collaborated with six implementation partners for our TSTA outreach Programme. Through this, we aim to make a positive impact in both the rural and urban areas of Maharashtra by reaching out to adolescents, adolescent influencers, and teachers.

Glimpses from the field

"Earlier, I was too shy to accept that I have started menstruating. I never discussed it with my mother. I used to hide my cloth from my family members, especially my brothers, uncles, and father. However, after the session, I started using sanitary napkins and discussing my menstrual health problems with my mother."

An adolescent girl from Banwas



Connecting with Adolescent Influencers, Pune

Our physical outreach Programme

22,605

Adolescents Reached

25,355

Adolescent Influencers Facilitated

619

Teachers Reached



Group Discussion and rapid assessment with adolescents about TSTA, Pune



Self Defence activity at Latur

"It was observed that majority (RA - 87%) of the adolescent girls liked the leadership training as it helped them gain confidence and improve their communication skills."

Amrita from NISD, Pune

Our digital outreach Programme

2,50,000

Downloads of the TSTA App

11,000

Active users

3.8

Rating on Google Play store

We are working in the rural areas through the TSTA App followed by home visits addressing various adolescent issues.



TSTA app orientation for girls, Pune



Session on "My Body My Safety" in Mumbai

MedEngage

Our annual MedEngage Scholarship Programme extended 250 scholarships to medical students in 2022-23 from 122 in 2021-22 under its flagship initiative. Over 2,600 students from 516 cities in India registered for different initiatives of the MedEngage Medical Outreach Programme.

2,600

Students Registered in the MedEngage Medical Outreach Programme

250

Scholarship Programme Offered in 2022-23

516 cities

Reached



MedEngage Scholarship Summit 2022-23

Category wise winners of MedEngage scholarship

Champion of Champions	<div><div></div></div>	25
Pedagogue	<div><div></div></div>	35
Wizkid	<div><div></div></div>	35
Scholar Collar	<div><div></div></div>	60
The Vibrant One	<div><div></div></div>	35
Wordsmith	<div><div></div></div>	60

MedTalk

In 2023, we launched a new initiative on the MedEngage platform. This innovative initiative in the form of a web series provides an interactive platform for senior and young doctors to collaborate and shape a futuristic healthcare vision. Participants have the unique opportunity to directly learn from experts, expanding the horizons of aspiring doctors and fostering knowledge exchange.

06

MedTalks Conducted

1,200+

Viewership

Preventive healthcare project

As part of our CSR initiatives, we also conducted community-based preventive healthcare plural - Programmes focusing on diseases such as diabetes, anaemia, and tuberculosis.

Metropolis has extended nutritional support to 650+ TB patients under the Pradhan Mantri TB Mukta Abhiyan. Government statistics on patients adopted by Metropolis:

- 575 patients (82%) showed satisfactory weight gain and increase in BMI
- 92 patients did not show any weight gain
- 35 patients showed a slight drop in their baseline weight
- Of 578 patients who showed an increase in BMI, 229 are males (40%) and 346 (59.86%) are females



MedTalk with Dr. Rajat Jain, President, Doctors for You and MedEngage winner Dr. Pulkit Bansal, AIIMS, Delhi



Nutritional Support to TB patients under Pradhan Mantri TB Mukta Abhiyan

Healthcare for Anaemia

We provided comprehensive healthcare for individuals affected by Anaemia to promote their overall well-being and contribute to a healthier society.

Reached 15,000 community members through Anaemia awareness Programme

Referred 747 of the 1,500 girls falling under the high-risk Anaemia category to the local government hospitals; those with less than 5 symptoms were given one-on-one counselling

Conducted nutritional counselling for 1,035 students

Conducted M-diabetes Programme

We conducted an M-diabetes Programme during 2022-23. The idea was to drive positive change and making a meaningful difference in the lives of those affected by diabetes.

57 messages on diabetes were administrated to the project community and 92.3% found it useful

96% of the respondents are now aware of the consequences of diabetes in comparison to 51% earlier (baseline)

96% are aware that changing their lifestyle can help reverse the disease in comparison to baseline of 30.6%

Healthy lifestyle counselling and health education programmes

We regularly conducted counselling sessions to encourage people to follow a healthy lifestyle. We also undertaken health education programmes that have a meaningful impact on individuals and the society.

1,000 patients were counselled, 617 reached health post

2114 identified as diabetic patients are taking medication in private/government hospitals

85% increase in knowledge on pre-diabetes from the 42% earlier

82% increase in information on health services (government/private) from 45% earlier

DSEU (Delhi Skill and Entrepreneurship University) Programme

DSEU has collaborated with Metropolis for three years to promote skill development as an ongoing project. In 2022-23, DSEU has successfully inaugurated five fully functional labs.



Activities we conduct under DSEU Programme

- Support with high-quality laboratory equipments and consumables that has made MLT Labs fully functional
- Engaged in the development of curriculum and extended support to the University to enhance the credibility of the Programme.



DSEU and Metropolis Team at the Lab

Project outcomes

- Five laboratories established in DSEU for B.Sc. in Medical Lab Technology at Dwarka Campus
- Curriculum designed and is now fully operational
- 717 students benefited from the training
- Focus on placement across industry



MHL Group Head - CSR visits DSEU to discuss about the Programme

Our Social Roadmap for FY 2023-24

Strengthen the DE&I Programme and improve the diversity/new hire ratio

- Initiate the LGBTQIA+ campaign for sensitization and awareness
- Hire differently abled people
- Launch exclusive Programme on Women's Leadership HIPO Employees

Ensure Occupational Health and Safety

- Develop separate tracks for EHS & OHS, track and reduce lost time incident rates, and facilitate worker participation in developing, evaluating, and implementing health and safety management systems
- Communicate measures taken by MHL to ensure a safe and healthy workplace



GOOD GOVERNANCE

Embracing Our Commitment to Integrity.

Metropolis is a value-driven organization dedicated to upholding exemplary business integrity and ethics. Our Board plays a crucial role in guiding and defining our direction. We exercise independent, well-informed, and effective judgment and leadership when making significant decisions that are reserved for the Board.

As a responsible entity, we understand the importance of transparency and disclosures. Our core team monitors all organizational functions. Our leadership team prioritizes a culture of integrity, compliance and responsible decision making.

Fostering diverse and accountable governance

- Partnered with a consulting firm to initiate the process for Certification in ISO 27001 / 2:2022 and ISO/IEC 27701:2019 during FY2023-24 for Information Security and Data Privacy
- Continued to maintain high ethical standards, and protect and secure data, infrastructure, and identity

Human rights

We have human rights policies and grievances in place. We conduct regular training of our staff on human rights issues and violations, covering the aspect of any adverse consequence for the complainant. As a responsible organization, we treat all employees as equal and provide them the opportunity to grow.



Our Board of Directors

Dr. Sushil Kanubhai Shah



Designation: Chairman & Executive Director

Qualification: Bachelor's Degree in Medicine and Surgery and MD in Pathology and Bacteriology from University of Mumbai (formerly Bombay)

Experience: More than four decades of experience in Pathology business



Dr. Sushil Shah is the Founder - Chairman of our Company and has been a Director on our Board since 2005. Beckoned by a strong academic career, Dr. Shah embarked upon his educational journey with the prestigious Scindia School and went onto completing his M.B.B.S in 1972 and M.D. in Pathology and Bacteriology from Grant Medical College in 1975. In 1978, he received Research Fellowship at the esteemed Cornell Medical Center in Endocrine Pathology. Thereon, he held many prestigious academic positions and headed departments at recognized hospitals throughout his career. He has headed the RIA department at Breach Candy Hospital and Pathology Departments at Sir. H.N. Hospital, Saifee Hospital and Cumballa Hill Hospital. He has numerous scientific publications to his credit and has pioneered Radio Immunoassay Technique, HIV testing and In-Vitro

Fertilization for the first time in India. He also served as a PhD teacher in Microbiology at Mumbai University in 2004 and PhD/MSc Guide by Research at Rai University in Mumbai.

Inundated with business acumen, Dr. Shah displays an exemplary mix of academic and business success. In addition to the evident accomplishments to his credit as the founder of Metropolis Healthcare, he has held Directorial positions at leading corporates. A businessman of wide understanding, Dr. Shah was the Director at Dr. Reddy's Laboratories and Span Diagnostics, the Executive Director of Dr. Reddy's Diagnostics and Standard Finance Equity Fund. His entrepreneurial zeal, disposition and accomplishments made him the Ernst and Young's Entrepreneur of the Year in 2011.

An alumni of the prestigious Scindia School, Dr. Shah was felicitated with the esteemed 'Madhav Award as an Old Boy of Eminence' for the year 2016 for his exemplary business acumen coupled with deep commitment to Corporate Social Responsibility and outstanding contribution in the medical field. For his contributions he has earned national recognitions like the Rashtriya Chikitsa Ratna Award, Rajiv Gandhi Gold Medal Award; is a Member of the Committee on Diagnostics with the FDA and Research Committee of IICB, Calcutta. Dr. Shah was also awarded the prestigious Maharashtra Gaurav Award for his contributions to the State of Maharashtra. In addition, he was honored with the prestigious Lifetime Achievement Award by Six Sigma

Healthcare Awards. He has been felicitated with the Hurun Industry Achievement Award for the year 2022 in the Diagnostics Category by Hurun India.

Authored by Maya Bathija, a biography on Dr. Sushil Shah titled 'Dare to Make a Change' was released by Rupa Publishers in 2022. The book gives us a sneak view inside Dr. Shah's journey, life, vision, and the foresight that made Metropolis possible while being honest, fueled by integrity.

Dr. Shah has made significant contributions to the overall Diagnostic Pathology Industry and continues his pursuit towards a vision of a consolidated industry in India.

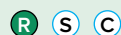
Ms. Ameera Sushil Shah



Designation: Promoter & Managing Director

Qualification: A Degree in Finance from The University of Texas at Austin and the prestigious Owner-President Management (OPM) Programme at Harvard Business School

Experience: More than two decades of experience in Pathology business



Ms. Ameera Sushil Shah has been a Director on our Board since 2008. A global thought leader in the healthcare industry, she has played an instrumental role in changing the pathology industry landscape in the country; from being a doctor-led practice to a professional corporate group in an extremely unregulated, competitive, and fragmented market.

Over the two decades, Ms. Shah has built the organization across the board, and has been a dynamic driving force behind the entire corporate transformation and the sustained growth of Metropolis. Due to its unique growth model and competitive advantage, Metropolis has attracted three rounds of investment by reputed private equity investors. Under the leadership of Ms. Shah, Metropolis listed successfully at the stock exchanges in 2019 and within three years of its listing, our Company cemented a position of trust with international and domestic investors by posting industry leading performance every quarter and delivering good returns on their investments. Upholding the highest standards of corporate governance and business ethics, Metropolis has built exceptional value for all its stakeholders.

Ms. Ameera Shah is the recipient of the Entrepreneur of the Year Award in healthcare category for the year 2021

from Ernst & Young. She has been named amongst 'Asia's Power Businesswoman' (2020) by Forbes Asia, 'Fifty Most Powerful Women in Business' by Fortune India (2017, 2018, 2019, 2020, 2021) and Business Today (2018, 2019, 2021, 2022). She has been bestowed with multiple awards for her outstanding performance and excellence in diagnostics business and entrepreneurship from various reputed organizations.

Ms. Ameera Shah is an eminent industry spokesperson and has been a speaker in various National and International forums, industry events and conclaves. She has been an active member and has served senior level positions in key industry bodies that drives policy decisions at the Center. She is currently serving as the Sr. Vice-President of NATHealth (Healthcare Federation of India).

Ms. Shah is an independent director on the Board of reputed Indian companies (Torrent Pharma, Adani Group). Prior to the Covid-19 pandemic, she was an advisor to Baylor College of Medicine, Texas and the global advisory Board of AXA, a Paris headquartered company with 700 Bn USD under asset management.

Mr. Vivek Gambhir



Designation: Non-Executive Independent Director

Qualification: Bachelor's Degree in both Science and Arts from Lafayette College, Pennsylvania; and Master's Degree in Business Administration from Harvard University

Experience: More than 20 years of experience in Operations and Strategy

S A N

Mr. Vivek Gambhir is currently associated with Imagine Marketing India Private Limited (BoAt Lifestyle). Prior to joining BoAt Lifestyle, he worked with Godrej Consumer Products Limited and Godrej Industries & its associate

companies. He was also a founding member of Bain's consulting operations in India and led the firm's FMCG practice in India. He has been a Director on our Board since September 2018.

Mr. Sanjay Bhatnagar



Designation: Non-Executive Independent Director

Qualification: Master's Degree in Engineering from Stanford University and Business Administration from Harvard University

Experience: More than 25 years of experience in project development, marketing, and operations management

A N

Mr. Sanjay Bhatnagar has served as the Chairman of the American Chamber of Commerce in India and as a Board member of the US India Strategic Partnership Forum. Prior to

joining our Company, he has worked with Enron India Private Limited, WaterHealth International Inc. and the THOT Capital Group LLC. He has been a Director on our Board since 2018.

Mr. Milind Sarwate



Designation: Non-Executive Independent Director

Qualification: Chartered Accountant (1983), Cost Accountant (1983), Company Secretary (1984), and a CII-Fulbright Fellow - Carnegie Mellon University, USA (1996)

Experience: 31 years of executive experience with long stints as CFO, CHRO (Marico & Godrej) and 16 years of Non-Executive Directorships on listed company Boards. Awarded ICAI CFO Award (2011), CNBC TV-18 CFO Award (2012) and CFO India Hall of Fame induction (2013)

A R C

Mr. Milind Sarwate, Founder & CEO of Increate (<https://increate.in/>), is an Advisor, Mentor, Independent Director, & ESG Contributor. Increate means 'Uncreated' or 'Undiscovered'. The firm works towards business and social value creation, with a focus on capability-building, and the governance & social aspects of ESG.

Mr. Milind's Independent Directorships include Asian Paints, Mahindra Finance, FSN E-Commerce (Nykaa),

Matrimony.com, and Hexaware. He specializes in audit committee roles. He has been on listed company Boards since 2005. His previous Board memberships include Mindtree and International Paper.

Ms. Anita Ramachandran



Designation: Non-Executive Independent Director

Qualification: MBA (Finance) from the Jamnalal Bajaj Institute

Experience: More than 40 years of experience as a Management Consultant



Ms. Anita Ramachandran began her career in the Management Consultancy division of AF Ferguson & Co (the KPMG network company in India then) in Mumbai in 1976 as the first woman consultant in the firm and worked in a wide range of areas from finance, industrial market research, strategy, and human resources consulting. She founded M/s. Cerebrus Consultants in the year 1995 to focus on HR advisory services, which has now established itself as

a specialist firm in the HR field. Ms. Anita has worked with over 350 companies in South Asia on a range of HR issues. Her wide general management consulting experience and insights into HR have enabled her to be a strategic advisor to many family groups. She supports many organizations in the social sector through pro bono professional work and remains deeply committed to working with women.

Mr. Hemant Sachdev



Designation: Non-Executive Director

Qualification: BA (Political Science) from Delhi; An alumni of Harvard Business School

Experience: More than 20 years of experience

Mr. Hemant Sachdev is a BA in Political Science from Delhi and an alumnus of Harvard Business School. He is a first-generation entrepreneur and has over 2 decades of

experience. He has business interests in Retail, Distribution and Education.

● Chairperson ○ Member

- Ⓐ Audit Committee
- Ⓐ Nomination and Remuneration Committee
- Ⓐ Stakeholders Relationship Committee
- Ⓐ Corporate Social Responsibility Committee
- Ⓐ Risk Management Committee

Achieving Progress with Remarkable Leadership

Our strategic leadership team helps align our Company's vision and mission with our strategic goals. They strive to ensure everyone in the organization works towards a common objective.



Dr. Sushil Kanubhai Shah
Chairman and Executive Director



Ms. Ameera Sushil Shah
Managing Director



Mr. Surendran Chemmenkottil
Chief Executive Officer



Dr. Nilesh Jadavji Shah
President and Chief of Science and Innovation



Mr. Rakesh Agarwal
Chief Financial Officer



Ms. Ishita Medhekar
Chief Human Resource Officer



Mr. Kannan Alangadan
Chief Operating Officer – Operations



Dr. Kirti Chadha
Chief Scientific Officer and Group CSR Head

Embracing Remarkable Achievements

Organizational Awards



Metropolis recognized with the **Great Place to Work For** certification for building and sustaining a high-trust, high-Performance culture.



Metropolis bagged the **Best Organization for Women Empowerment** Award at the GIWL (Great Indian Women Leadership) Awards 2023. This award is in recognition of organization's outstanding contribution to the empowerment of women employees and business.



Metropolis bagged the award for **Innovation in Patient Centricity and Advocacy** for introducing the holistic comprehensive package 'PREGASCREEN' at the Patient First Summit 2022, hosted by IHW (India Health & Wellness Council).



Metropolis won the Gold Award in the category of **Exceptional Contributions to Women's Cancer Care and Management**, at the 4th edition of Cancer Care Awards hosted by India Health and Wellness (IHW) Council. This award recognized the long-term commitment and outstanding contribution of Metropolis in the area of Cancer Diagnosis by our Scientific experts and technicians across the country.



Metropolis Healthcare won the Gold Award for **Excellence in High-end Diagnostics** at the 8th India Health and Wellness Awards by the India Health and Wellness (IHW) Council.



Hitech Diagnostic Centre bagged the Silver Award for **Excellence in Pathology Services** at the 8th India Health and Wellness Awards by the India Health and Wellness (IHW) Council.



Metropolis awarded with the **Most Popular Diagnostic Laboratory** Award at the Healthcare Excellence Awards, hosted by Connect and Heal – CNH Care. This award was given for demonstrating excellence in customer service based on user reviews.



Metropolis Healthcare's subsidiary Hitech Diagnostic Centre Pvt Limited honoured with the **Best Standalone Regional Laboratory Chain – South** at the ET Healthcare Excellence Awards 2022.



Metropolis Labs in Ghana the **Overall Best Pathology Laboratory Centre of the Year** Award at the Ghana Medical Laboratories Excellence Awards (GMLEA).



Metropolis honoured with the **Best of Bharat – Pride of India Brands** Award from Exchange4media.



Metropolis Healthcare's Annual Report 2021-22 won the **Gold** Award at the Vision Awards 2021/22 Annual Reports Competition by LACP – League of American Professionals.



Metropolis was recognized with the **Top 200 Supply Chain** Award of the Year by Alden Global Advisors for its outstanding contribution and dedication to the industry.



Metropolis' Procurement Team won the **Top Function** Award in the Healthcare category by the Institute of Supply Chain and Management.

Recognition for our Remarkable Leaders



Dr. Sushil Shah recognized with the **Hurun Industry Achievement Award 2022** at the 10th edition of Most Respected Entrepreneurs Awards, organized by Hurun India.



Mr. Rakesh Agarwal was felicitated with the **Financial Star** Award at the debut edition of the Financial Express' CFO Connect Conclave for his exemplary contribution in the field of Finance and to the growth of the organization.

Mr. Rakesh Agarwal honoured with the **Top 100 CFO** Award for his excellent and outstanding Strategy Execution at the CFO100 Programme.



Ms. Ameera Shah honoured with the **Most Powerful Woman in Business** Award by Business Today for the year 2022 for the fourth consecutive year.

- ▶ Ms. Ameera Shah recognized as the **Most Influential Women in Healthcare** by Business World for the year 2022.
- ▶ Ms. Ameera Shah recognized as the **Promising Women Leader of India 2022** by ET x Femina.
- ▶ Ms. Ameera Shah honoured with the **Outstanding Healthcare Leader of the Year** Award at the Women Achievers Award 2022, hosted by Abhyudaya Vatsalyam, acknowledging contribution and efforts in the healthcare sector.



Ms. Ishita Medhekar won the **Woman Leader of the Organization** Award at the 4th Edition of Women Empowerment Summit and GIWL (Great Indian Women Leadership) Awards by UBS Forums.



Dr. Kirti Chadha, Chief Scientific Officer and Group Head – CSR recognized with the **Distinguished Doctor of the Year** Award in Oncopathologist category by Assocham for her outstanding contribution in the healthcare industry.

Corporate Information

DETAILS OF BOARDS OF DIRECTORS

Dr. Sushil Kanubhai Shah

Chairman & Executive Director

Ms. Ameera Sushil Shah

Managing Director

Mr. Vivek Gambhir

Non-Executive Independent Director

Mr. Sanjay Bhatnagar

Non-Executive Independent Director

Mr. Milind Sarwate

Non-Executive Independent Director

Ms. Anita Ramachandran

Non-Executive Independent Director

Mr. Hemant Sachdev

Non-Executive Non-Independent Director

DETAILS OF COMMITTEES

AUDIT COMMITTEE

Mr. Milind Sarwate – Chairperson

Mr. Vivek Gambhir – Member

Mr. Sanjay Bhatnagar – Member

Ms. Anita Ramachandran – Member

NOMINATION AND REMUNERATION COMMITTEE:

Ms. Anita Ramachandran – Chairperson

Mr. Vivek Gambhir – Member

Mr. Sanjay Bhatnagar – Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Vivek Gambhir – Chairperson

Dr. Sushil Shah – Member

Ms. Ameera Shah – Member

RISK MANAGEMENT COMMITTEE:

Ms. Ameera Shah – Chairperson

Mr. Milind Sarwate – Member

Mr. Surendran Chemmenkotil – Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Anita Ramachandran – Chairperson

Ms. Ameera Sushil Shah – Member

Mr. Milind Sarwate – Member

KEY MANAGERIAL PERSONNEL

Dr. Sushil Shah – Chairman and Executive Director

Ms. Ameera Shah – Managing Director

Mr. Surendran Chemmenkotil – Chief Executive Officer

Mr. Rakesh Agarwal – Chief Financial Officer

Ms. Neha Shah – Interim Company Secretary

AUDITORS

Statutory Auditors

BSR & Co. LLP, Chartered Accountants

Internal Auditors

Suresh Surana & Associates LLP, Chartered Accountants

Secretarial Auditors

M/s. Manish Ghia & Associates, Company Secretaries

Cost Auditors

M/s. Joshi Apte & Associates, Cost Accountants

REGISTERED OFFICE ADDRESS

Metropolis Healthcare Limited

CIN : L73100MH2000PLC192798

250 D, Udyog Bhavan, Hind Cycle Marg, Worli,

Mumbai – 400030, Maharashtra, India

Tel. No. : +91-22-6258-2810

Email address : secretarial@metropolisindia.com

Website : www.metropolisindia.com

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd

C-101, 1st Floor, 247 Park, LBS Marg,

Vikhroli West, Mumbai–400 083,

Maharashtra, India

Tel. No.: 91 22 4918 6200

Fax No.: 91 22 4918 6195

Website: www.linkintime.co.in

BANKERS

HDFC Bank Limited

ICICI Bank Limited

YES Bank Limited

Canara Bank

Bank of India

Standard Chartered Bank, India

Citi Bank, N.A

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

Global Economy

With gradual improvement in the situation pertaining to the Covid-19 pandemic, there was a sense of cautious optimism at the beginning of 2022. However, the economy still had to grapple with the challenges of high inflation rates, sharply rising interest rates, and a growing energy crisis – induced by geopolitical tensions – leading to supply chain disruption. Nevertheless, the influence of these headwinds has diminished considerably, reflecting improved conditions in developed and emerging economies. Global economy is expected to achieve a growth rate of 2.8% in 2023 and rise further to 3.0% in 2024. Compared to the forecast made in October 2022, the prediction for 2023 has been revised upwards by 0.1% points. For emerging and developing economies, the growth rate is projected to improve modestly, from 3.9% in 2022 to 4.0% in 2023. However, the advanced economies are projected to experience a significant decrease in growth, dropping from 2.7% in 2022 to 1.3% in 2023.

Global financial conditions have improved since October 2022, mainly owing to change in market expectations related to the interest rate cycle. The prompt deployment of vaccination measures and consequent lifting of restrictions have resulted in a faster recovery than initially projected. With quantitative tightening by Central Banks underway, market liquidity is likely to remain a challenge. In addition, rapid spread of Covid-19 pandemic in China has held back growth in 2022.

Global inflation is expected to decrease from 8.8% in 2022 to 6.6% in 2023 and further to 4.3% in 2024. Drop in demand, price discounts to tackle high inventory levels, and a decrease in real estate prices are the factors driving the inflation down. Moreover, the decline in inflation will prompt major central banks to pause and review their recent historic series of interest rate hikes. Overall, the Covid-19 pandemic continues to have an impact, along with the ongoing Russia-Ukraine conflict disrupting growth and further burdening food and energy prices. (Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>)

World Economic Outlook Projection (%)

Regional Growth	Year on Year		
	Estimate	Projections	
	2022	2023	2024
World Output	3.4	2.9	3.1
Advanced Economies	2.7	1.2	1.4
Emerging Markets and Developing Economies	3.9	4.0	4.2

Indian Economy

India's belief in its economic resilience has been reinforced in FY 2022-23. This is further bolstered by the Indian economic

growth has been revised to 7.2% in FY 2022-23 maintaining the position of fastest- growing nation.

India has recorded a significant improvement in inflation scenario in FY 2022-23. Though India's inflation rate peaked at 7.8% in April 2022, it fell to 5.7% in December 2022, driven by stable monsoons and the Government's prompt actions, ensuring adequate food supplies. The global economic slowdown and increase in interest rates led to a decline in commodity prices, leading to a significant drop in wholesale price inflation. Core inflation remained at almost 6%, reflecting the second-round effects of the supply shocks that occurred at the beginning of the year.

The RBI Monetary Policy Committee has increased the interest rate under the Liquidity Adjustment Facility (LAF) by 225 basis points, from 4.0% to 6.25%, between May and December 2022. The liquidity surplus that prevailed after November 2019, in response to the Central Bank's conventional and unconventional monetary policy measures, weakened in FY 2022-23.

Private consumption and capital formation were the main drivers of India's economic growth in FY 2022-23. The impact has been recorded in terms of falling unemployment rates in urban areas and faster net contributions to the Employee Provident Fund. The expansion of public digital platforms and ground-breaking policies such as PM Gati Shakti, the National Logistics Policy, and Production-Linked Incentive (PLI) Scheme are expected to enhance output and foster economic growth. (Source: <https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/echap01.pdf>)

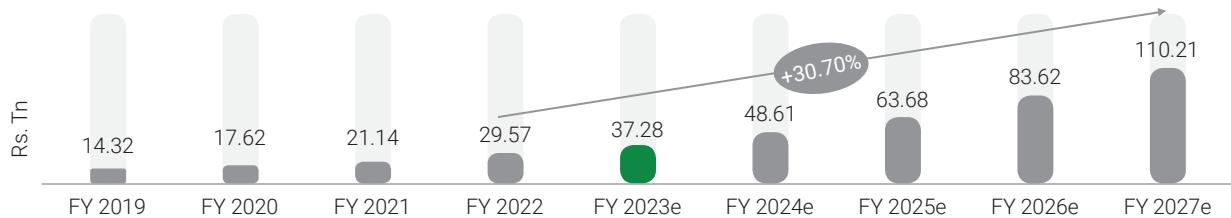
INDUSTRY OVERVIEW

Indian Healthcare Industry

The healthcare sector is among the largest and fastest-growing sectors of the Indian economy. As per economic survey, India's public expenditure on healthcare accounts for 2.1% of the GDP in 2021-22. The industry is growing with the prevalence of chronic and lifestyle-related diseases, the adoption of advanced technologies like telehealth and telemedicine, and the influx of funds from public and private investors into the healthcare ecosystem. The Netscribes Healthcare Market Report 2022-27 highlights that India's healthcare market had a revenue of Rs. 21.14 Tn in 2020-21, while it is expected to attain Rs. 110.21 Tn by 2026-27, registering a CAGR of ~30.70% between 2022-27. According to the Economic Survey 2023, the budgetary expenditure of the Central and State Governments for the healthcare sector increased from 1.6% of the Gross Domestic Product (GDP) in 2020-21 to 2.1% of the GDP in 2022-23.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Market size and growth forecast - Based on value (FY 2019 - FY 2027e)



With substantial investments in state-of-the-art diagnostic facilities, India has become a prominent destination for high-end diagnostic services, catering to a broader spectrum of the population. Adding to the growth trajectory is the e-health market, the size of which is estimated to reach USD 10.6 Bn by 2024-25. The Government continues to support the Indian healthcare industry with a slew of measures, including easing restrictions on Foreign Direct Investment (FDI), boosting funding for healthcare sector, and establishing healthcare infrastructure through Public-Private Partnership (PPP) projects. (Source: <https://www.ibef.org/industry/healthcare-india>)

Furthermore, the Indian Government has set its sight on establishing the country as a global healthcare hub, and despite challenges such as inadequate healthcare infrastructure, limited research and development initiatives, and low health insurance coverage, the healthcare market continues to grow.

Government Initiatives in the Healthcare Industry

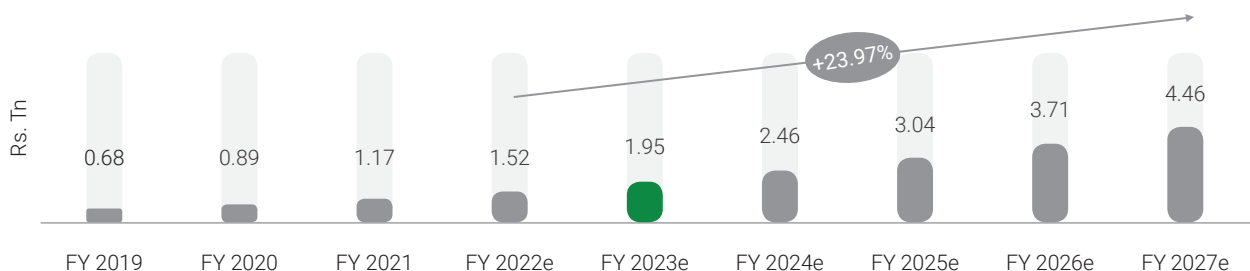
- Rs. 89,155 Crs has been allocated to the Ministry of Health and Family Welfare (MoHFW), under the Union Budget 2023-24, while Rs. 29,085 Crs has been allocated to National Health Mission
- As a part of budget allocation department of Health Research, Rs. 2,360 Crs was allocated to the Indian Council of Medical Research (ICMR) for the encouragement of collaborative research and innovation

- Announced a mission to eliminate sickle cell anaemia by 2047, entailing universal screening of 7 Crs people, aged between 0-40 years in affected tribal areas
- Approved continuation of 'National Health Mission' with a budget of Rs. 37,000 Crs and allocated Rs. 5,156 Crs to the newly announced PM-ABHIM – aimed at strengthening India's health infrastructure and improve the country's primary, secondary, and tertiary care services
- Announced the plan to allow select facilities under the Indian Council of Medical Research (ICMR) to be used for research by medical college faculty members and private sector R&D teams, in order to encourage collaborative research and innovation

(Source: <https://timesofindia.indiatimes.com/business/budget/budget-2023-24-experts-welcome-increased-allocation-for-health-sector/articleshow/97532938.cms>)

Indian Diagnostics Industry

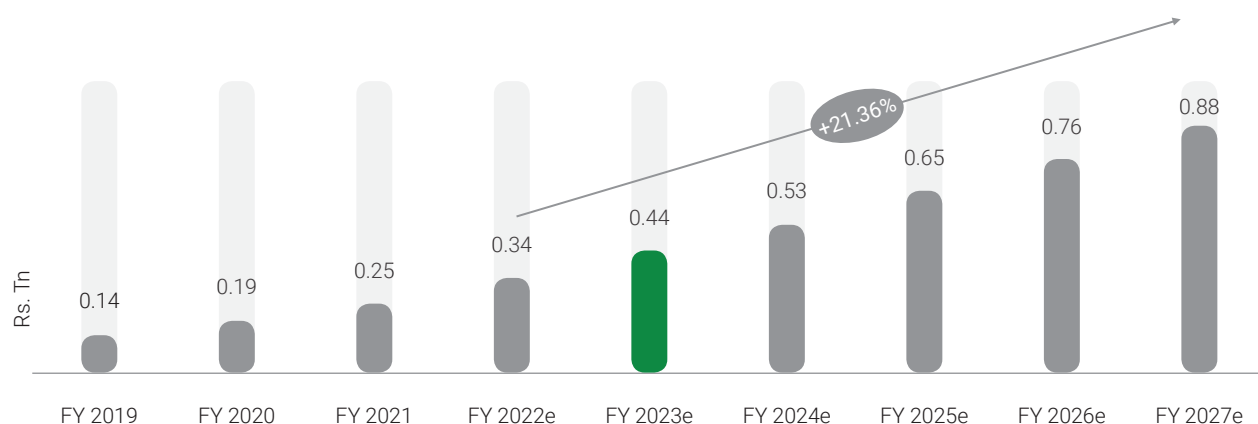
As per the Netscribes Healthcare Market Report 2022-27 the diagnostics services segment was valued at Rs. 1.17 Tn in 2020-21 and is expected to reach Rs. 4.46 Tn by 2026-27, registering a CAGR of 23.97% during the forecast period. The report attributes the growth prospects to the rising demand for home diagnostic services and preventive healthcare, leading to a shift from physical diagnostic laboratories.



With around 150-200K labs in the country, the diagnostics industry in India is highly fragmented. Unorganized, standalone labs make up approximately 73% of the out-of-hospital diagnostics market.

The digital healthcare sector is anticipated to witness a CAGR of 21.36% during 2022-27. The factors driving the growth are the rapid penetration of smartphones and internet, along with supportive Government policies.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)



In the diagnostics market, pathology tests are the primary method of diagnosis and account for 57% of the total market. Pathology tests have a greater potential for scalability than radiology because samples can be transported for testing, enabling companies to utilize a hub-and-spoke model. In contrast, radiology labs must be strategically located in places where patient-flow is high, and only basic radiology tests can be offered to the customers.

Emerging Trends in the Indian Diagnostics Industry

- Large diagnostic chains are witnessing a higher growth compared to the overall industry growth, due to the increase in their market share and integration with standalone labs. The industry is in consolidation mode; and major multi-regional players like Dr. Lal Path Labs and MHL are acquiring several standalone labs and regional chains
- Many established players in their home markets have significant pricing power, resulting in a higher EBITDA concentration. However, while expanding into new markets, profit margins are likely to decrease due to lower realizations, higher investments in digital initiatives, and greater expenses owing to establishment cost and marketing expenditure
- Newer business models with a patient-centric approach are now being developed to tackle the industry challenges. These models include teleradiology and telepathology services, aimed at enhancing the accessibility, quality, and efficiency of diagnostic services. Additionally, computational pathology solution providers and teleradiology service providers are increasingly gaining traction

MAJOR GROWTH DRIVERS

Increasing Income Level

The rise in disposable income and consumer spending has brought about a change in people's lifestyles. This change has created opportunities to promote healthy living and

preventive healthcare, opening newer prospects for the diagnostics industry.

Prevalence of Chronic and Lifestyle Diseases

Over the past years, chronic and lifestyle diseases such as diabetes, arthritis, hypertension, cardiovascular diseases (CVD) and cancer have increased substantially. Chronic diseases are a significant cause of mortality in India. The growth in demand for healthcare benefits, owing to the expanding patient pool, drives the healthcare market.

Improved Awareness about Good Health

Rapidly evolving lifestyles and increase in the lifestyle-related diseases have made people cautious about health and wellness. The prevalence of chronic and non-communicable diseases is highest among people over 60 years of age. Opting for preventive healthcare services, home healthcare facilities and precautionary care have the potential to reduce the chances of getting affected with such diseases.

Rising Elderly Population

In India, the percentage of elderly population in the total population is increasing. The incidence and complexity of disease appear to increase with age, propelling the need for diagnostic services and preventive care.

Impact of Government Policy

The Government is working on a plan to establish basic standards for regulating the country's diagnostic and wellness services. These laws and rules are set to ensure that best-in-class health and wellness services are available throughout the country. This will serve as a support system for all participants in the sector.

Public-Private Partnerships

The resources the Government needs for healthcare are brought in by Public-Private Partnerships (PPPs), while focusing on building a model that is sustainable in the long-term. PPPs offer the potential to improve the healthcare system by bringing together the expertise and resources of the commercial and public sectors, allowing wider public access and utilization of subsidies.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

THREATS TO THE INDIAN DIAGNOSTICS INDUSTRY

Intense Competition and Impact on Pricing

With new competitors entering the diagnostic market, such as health tech companies, large conglomerates, reputable pharmaceutical companies, and startups, there has been a significant level of disruption in both the B2C and B2B market segments. These competitors tried to increase their revenue share in the diagnostic industry by using 'price' as a crucial differentiator.

Decline in Covid-19-related Tests

After the third wave of the Covid-19 pandemic, diagnostic companies are experiencing a decline in demand for Covid-19 tests – one of the top-selling tests that drove up their revenues during the last two fiscal years.

Risk Associated with Debts

While many of the diagnostic chains are expanding their infrastructure and increasing their investments, the scenario after the Covid-19 pandemic must be kept in mind. The focus needs to shift to whether the current debt can be paid down by focusing less on Covid-19-related tests.

Self-Monitoring and Diagnosis

The introduction of newer wearables and self-monitoring tools such as glucometers, oximeters, and technologically-advanced devices pose strong challenges to the diagnostics sector. (Source: <http://bwhealthcareworld.businessworld.in/article/Diagnostic-Industry-Getting-Ready-To-Overcome-Challenges-To-Outshine-In-The-Indian-Healthcare-Space/29-01-2022-419157/>)

COMPANY OVERVIEW

Metropolis Healthcare Limited ('MHL' or 'The Company') is a leading pathology specialist, with pan-India presence. MHL is one of the leading players in the diagnostics space, with footprint in both B2B and B2C marketplace. The Company offers best-in-class pathology and diagnostic services to individual patients, hospitals, other healthcare providers, and businesses. The Company, with a wider presence in South and West India, enjoys a loyal customer base, that reflects on its strength as a brand, providing superior diagnostic testing and services.

The Company has a presence in 20 states across the country. Each year, it reaches a new milestone, touching the lives of numerous patients and healthcare professionals by offering actionable health insights. MHL offers a comprehensive range of 4,000+ clinical tests and profiles. These include advanced tests in the diagnosis of cancer, neurological disorders, infectious diseases, and an array of genetic abnormalities. MHL dedication to quality and accuracy in each test is demonstrated by its steady CAP proficiency score of more than 98% over the last decade. This places it among the top 1% of laboratories in the world for quality assurance. MHL ideology is founded on technological supremacy, patient-centric approach, and dependable diagnostic results.

During FY 2022-23, the Company started to make inroads in the premium wellness segment, focused on enhancing technology, IT, and automation across value chain. MHL has added 14 labs and approximately 548 centers during the year. A brand which is synonymous to scientific excellence over the years, launched the Metropolis Innovation Cell to focus on Molecular Genomics, Superspeciality Pathology, and Companion Diagnostics. The Company's goal has been to nurture and expand the scope for oncology, prenatal testing, transplant immunology, infectious and chronic diseases through Next Generation Sequencing and Artificial Intelligence. Under the Innovation Cell, MHL introduced various specialized tests related to Pregnancy, Cancer, Infectious Diseases and Transplant Management during the year.

As a part of the 3.0 strategy, the Company created an omnichannel presence to engage with customers. During the year, the Company revamped the website and initiated many search engine optimization activities. MHL launched the newer version of Patient Mobile App, WhatsApp Bot to support the patients' easy access to download reports, book tests and find centres. The Phase-2 of the application offers improved technology-enhanced engagement. Hereon, the Company strives to become the 'Go-to-brand' for home testing. With existing brand equity and more engagement with doctors and customers over various digital platforms and active marketing tools, MHL is hopeful of increasing its B2C and D2C revenue with a stickier consumer base. The Company is continuously working on increasing its revenues through digital medium and alongside making its back-end systems stronger for better processes and control for future ready technology.

The Company strategizes to focus on wellness, technology, footprint expansion, while increasing efficiency and productivity. It is also integrating sustainability across the value chain to offer long-term value creation for all its stakeholders. The Company envisages these strategies to unlock growth on new frontiers and drive expansion with the same spirit.

PERFORMANCE OVERVIEW

Business Performance

	2020-21	2021-22	2022-23
Revenue Per Patient	1,016	914	944
Revenue Per Test	524	479	453
Laboratory Network	125	171	175
Service Network	2,555	3,064	3,675

Financial Performance (in Rs. Crs)

	2020-21	2021-22	2022-23
Revenue from Operations	998	1,228	1,148
EBITDA	288	349	293
Profit After Tax	183	215	143



MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Details of Key Ratios

Key Financial Ratios	2020-21	2021-22	2022-23	Variance
Debtors' Turnover	4.53	8.54	8.00	(6.32)%
Inventory Turnover	30.7	27.18	24.15	(11.15)%
Interest Coverage Ratio	NA	13.43	8.59	(36.04)%
Current Ratio	3.0	1.23	1.05	(14.63)%
Debt Equity Ratio	NA	0.31	0.09	(70.96)%
Operating Profit Margin (%)	28.86%	23.79%	19.26%	(19.04)%
Net Profit Margin (%)	18.34%	17.25%	13.03%	(24.46)%

RISK MANAGEMENT

MHL continues to adopt an effective risk management strategy that allows it to monitor and mitigate various risks, it faces. The strategy seeks to handle existing and emerging risks in a precise manner to ensure seamless operational efficiency.

Risks	Impact	Mitigation
Competition Risk	The Company faces intense competition from new players including large conglomerates, hospital chains, pharma companies, health tech platforms and startup companies, which may weaken the outlook, slow down growth, and put price pressures to bring margin and return ratios under stress.	To mitigate this risk, the Company emphasizes on redefining its cost-base to neutralize some of the stress on returns. It continues to focus on rigorous expansion of lab and customer touch point network. Notably, the core segment of MHL - acute illness - is less at risk from the competition, compared to others.
Technological Risk	The Company operates in a highly technology-driven market. Technological advancements in the field may result in a decline in demand for the Company's products and services.	To mitigate this risk, the Company focuses on offering tests which are more accurate and economical, as compared to those available in the market. Additionally, the Company leverages its thorough analysis to help the patient and the doctor comprehend the criteria in a detailed and more transparent manner.
Regulatory Risk	The Company may face price-capping, that could affect its earnings and cause margin pressures.	The Company mitigates the risk of price-capping through its wide range of testing portfolio. Additionally, the impact of such rules is minimal due to the Company's technological advancements and distinctive business strategy.
IT Disruption and System Failure Risk	Being in a highly time-sensitive business, any malfunctioning of the Company's IT systems might have a significant impact on its capacity to service customers as well as patients. It may result in a breach of personal data, thereby potentially degrading the Company's reputation in the sector.	The Company mitigates this risk through its comprehensive security program. This program assures prevention and detects instances of cyber assault at an early stage, allowing the Company to formulate a response and neutralize it. Furthermore, the Company has put in place processes and regulations to stop the theft of sensitive patient information. In addition, it has an audit framework in place for assessing its risk exposure and risk mitigation readiness.
Skilled Manpower Shortage Risk	The Company's success depends on its ability to find and retain outstanding employees, and failing to do so could significantly harm its performance.	To mitigate this risk, the Company focuses on an engaging HR practice and strives to make it a desirable place to work. An experienced leadership team supports and oversees its training programs. This proactive approach assists the Company in finding, retaining, and motivating people, while rewarding them with performance-linked payment.

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

Business Continuity of GRL Operations	<ul style="list-style-type: none"> ● System-related ● Natural/man-made disasters ● Transporting of samples ● Loss of skilled manpower ● Critical vendors stop supplying raw materials ● Breakdown of critical instruments 	<p>BCP and DR plan in place covering aspects like:-</p> <ul style="list-style-type: none"> ● Continuity of operations in case of any disaster/incident and resume operations promptly without significant interruptions ● Approach and action plan for any emergency/incident or disaster with preventive, detective, corrective and monitoring measures in place ● Building customer confidence and trust along with other external stakeholders indicating responsiveness of the organization towards ESG ● Ensuring employee safety and security in case of external events such as fire, and earthquake, among others
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IT & DIGITAL INFRASTRUCTURE

Digital strategy plays an important role in customer engagement. The Company focuses on enhancing its IT and automation across value chain to create a digital ecosystem for all its stakeholders. MHL has launched WhatsApp bot for all its patients, with easy access to download reports, book tests and find nearest diagnostic centers. In addition, it has launched Phase-2 of the app for offering technology-enhanced engagement for existing and new customers.

Enhancing the 'Phlebotomist home visit application' by adding more features like Phlebo tracking, enterprise-wide adoption of Salesforce CRM, and implementation of the CDP platform aim to improve personalized communication with customers. The Company maintains a robust IT and digital infrastructure to stay ahead of competition and deliver an outstanding performance.

HUMAN RESOURCE MANAGEMENT

With over 5,000 employees, MHL has a strong and diverse team. As an equal-opportunity-employer, the Company provides of its employee with a positive work environment. It provides opportunities for individuals to improve, learn and thrive. The Company strongly believes that its competitive advantage draws strength from its highly skilled workforce. Through a range of development activities, the Company helps its employees nurture their professional skills and leadership abilities, thus charting a clear career path. The automation in HR has significantly improved employee experience, which, in turn, has increased productivity. The vision of the Company's senior leadership guides and shapes the future of MHL. The Company will continue to invest in the talent of its employees to achieve its business goals and fuel expansion.

INTERNAL CONTROL SYSTEM

The Company has an efficient internal control system in place. The policies and procedures, covering all financial and operating functions, are also documented. The system controls are designed to provide reasonable assurance for

maintaining proper accounting records. This reinforces reliability of financial reporting, monitoring of operations, protection of assets from unauthorized use or losses and compliance of regulations.

The scope and coverage of audits include:

- Reviewing and reporting of key process risks
- Adhering to operating guidelines and statutory compliances
- Recommending improvements for monitoring and enhancing efficiency of operations
- Ensuring reliability of financial and operational information

The Audit Committee periodically monitors and reviews the significant internal audit observations. It also reviews compliance with accounting standards, risk management and control systems.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand and supply conditions, finished goods prices, input materials availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent development, information, or events or otherwise.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A - GENERAL DISCLOSURES

I. Details of the listed entity

- | | | |
|-------|--|--|
| I-1. | Corporate Identity Number (CIN) of the listed entity | ➤ L73100MH2000PLC192798 |
| I-2. | Name of the listed entity | ➤ Metropolis Healthcare Limited |
| I-3. | Year of incorporation | ➤ 2000 |
| I-4. | Registered office address | ➤ 250-D, Udyog Bhavan, Worli, Mumbai - 400 030, Maharashtra |
| I-5. | Corporate address | ➤ NA |
| I-6. | E-mail | ➤ secretarial@metropolisindia.com |
| I-7. | Telephone | ➤ (+91 22) 6258 2810 |
| I-8. | Website | ➤ https://www.metropolisindia.com/ |
| I-9. | Financial year for which reporting is being done | ➤ FY 2022-23 |
| I-10. | Name of the Stock Exchange(s) where shares are listed | ➤ National Stock Exchange of India Limited and Bombay Stock Exchange Limited. |
| I-11. | Paid-up Capital | ➤ Rs. 10,24,21,328 divided into 5,12,10,664 equity shares of face value of Rs. 2/- each |
| I-12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: | ➤ Mr. Rakesh Agarwal, Chief Financial Officer, secretarial@metropolisindia.com , (+91 22) 6258 2810 |
| I-13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): | ➤ Standalone |

II. Products/Services

II-14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of main activity	Description of business activity	% of Turnover of the entity
1	Human Health and Social Work Activities	Diagnostic Testing Service Provider and Clinical Trials Research Services.	98.43%

II-15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

Sr. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Diagnostic Services in the area of Pathology	86905	98.43%

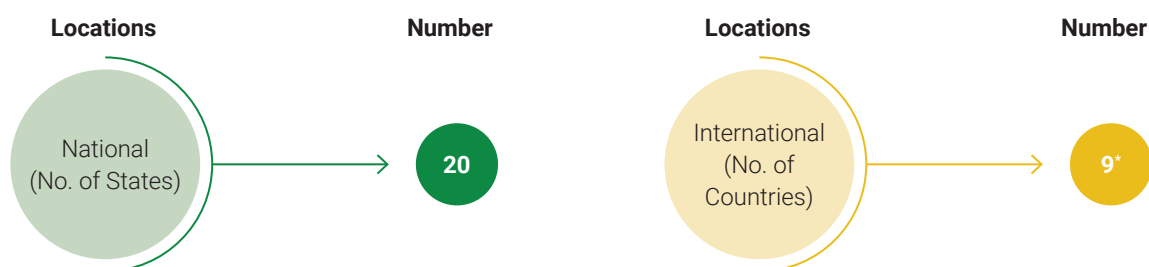
III. Operations

III-16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices/Labs	Total
National	Not Applicable to us, as the company offers diagnostic testing services in the area of Pathology.	156	156
International		19	19

III-17. Markets served by the entity:

a. Number of locations



*Internal Markets served - 5 (with operations) & 4 (B2B); Total - 9



b. What is the contribution of exports as a percentage of the total turnover of the entity?

NA



c. A brief on types of customers

The Company's customers include B2B and B2C customers, hospital lab management, corporate clients, and Government clients.



**IV. Employees****IV-18. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

Sr. No	Particulars	Total (A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
<div> Employees</div>						
1.	Permanent (D)	2,156	1,483	68.8%	673	31.2%
2.	Other than Permanent (E)	265	121	45.7%	144	54.3%
3.	Total Employees (D + E)	2,421	1,604	66.3%	817	33.7%
<div> Workers</div>						
4.	Permanent (F)	2,144	1,039	48.5%	1,105	51.5%
5.	Other than Permanent (G)	200	124	62.0%	76	38.0%
6.	Total Workers (F + G)	2,344	1,163	49.6%	1,181	50.4%



IV-18. Details as at the end of Financial Year:**b. Differently-abled Employees and Workers:**

Sr. No	Particulars	Total (A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
<div> Differently-Abled Employees</div>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Differently-Abled Employees (D + E)	0	0	0	0	0
<div> Differently-Abled Workers</div>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total Workers (F + G)	0	0	0	0	0

IV-19. Participation/Inclusion/Representation of Women:

Particulars	Total (A)	No. and percentage of Females	
		No(B)	%(B/A)
 Board of Directors	7	2	28.57%
 Key Management Personnel	4	1	25.00%

IV-20. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years):

	(Turnover rate in current FY 2022-23)			(Turnover rate in previous FY 2021-22)			(Turnover rate in the year prior to the previous FY 2020-21)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
 Permanent Employees	17%	9%	14%	28%	22%	26%	25%	20%	24%
 Permanent Workers	13%	13%	13%	24%	22%	23%	25%	28%	26%

V. Holding, Subsidiary and Associate Companies (including joint ventures)
V-21. (a) Names of holding/subsidiary/associate companies/joint ventures.






Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Amin's Pathology Laboratory Private Limited	Subsidiary	100%	No
2	Centralab Healthcare Services Private Limited	Subsidiary	100%	No
3	Ekopath Metropolis Lab Services Private Limited	Subsidiary	60%	No
4	Metropolis Histoxpert Digital Services Private Limited	Subsidiary	100%	No
5	Metropolis Healthcare (Mauritius) Limited	Subsidiary	100%	No
6	Metropolis Bramser Lab Services (Mtius) Limited	Subsidiary	100%	No
7	Metropolis Star Lab Kenya Limited	Subsidiary	100%	No
8	Metropolis Healthcare Ghana Limited	Subsidiary	100%	No
9	Metropolis Healthcare Lanka Private Limited (Formerly known as Nawaloka Metropolis Laboratories Private Limited)	Subsidiary	100%	No
10	Metropolis Healthcare (Tanzania) Limited	Subsidiary	99.99%	No
11	Metropolis Healthcare Uganda Limited	Subsidiary	100%	No


VI. CSR Details
VI-22. (i). Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)
Yes
VI-22. (ii). Turnover (in Rs.): Rs. 1,06,604 Lakhs
VI-22. (iii). Net worth (in Rs.): Rs. 93,601 Lakhs



VII. Transparency and Disclosures Compliances









VII-23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (yes/no) (if yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Communities	No	The company didn't receive any complaints or grievances from any specific community.					
 Investors (other than Shareholders)	Yes. Investors can contact the officials mentioned in the link below: https://www.metropolisindia.com/investors .	1	0		0	0	
 Shareholders	Yes. For any grievances, Shareholders can reach out to Compliance Officer on Tel: +91-22-6258 2810 or write an email to: secretarial@metropolisindia.com / investors.relations@metropolisindia.com	1	0		0	0	
 Employees and Workers	Yes. The Company does have a specific Internal Grievance Redressal Policy in place.	15	2*		12	0	
 Customers	No. The Company does not have a formal Grievance Redressal Policy. However, there is a dedicated customer service number (+91 8422 801 801) and email id: support@metropolisindia.com that address and handle all consumer complaints. In addition, the Company responds to customer concerns which its receives through its official social media handles.	16,181	08	Complaints will be closed after RCA (Root Cause Analysis)/ CAPA (Corrective Action and Preventive Action)	22,121	0	All complaints resolved

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (yes/no) (if yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Value Chain partners	No	There were no complaints/grievances received from the Value Chain partners except for some outstanding dues related clarifications which were promptly addressed and resolved.					
● ● ● Other (please specify)							

*The unresolved complaints pertaining to FY 2022-23 to be closed during FY 2023-24.

VII-24. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	 Energy Management	 Opportunity	Energy intensive operations	The Company has a detailed phase-wise energy reduction plan with concrete milestones.	If this aspect is taken care of, it will result in a reduction in emissions and the Company can charge a premium/ attract GenZ and GenY customers.
2.	 Waste Management	 Risk	Generation of Biomedical Waste due to nature of business	Disposal is done through a Government authorized partner and the waste is segregated into different color bags with barcodes. It is weighed before being handed over to an authorized vendor. All safety norms are followed from generation until handover to Authority.	If not disposed of properly, it could lead to the spread of diseases and affect the social license to operate.
3	 Employee Health & Safety	 Risk	Sample Collection	The Company has a robust selection, induction and training program for the concerned staff.	Revenue loss, recruitment challenges.
4	 Diversity, Equity and Inclusion	 Opportunity	Good Governance Practice	43% of the workforce of the Company is female The Company has also launched a program that aims to help women who are looking to restart their careers.	Goodwill in market, a motivated workforce and a positive working environment.



SECTION B - MANAGEMENT AND PROCESS DISCLOSURES

Policy and Management Processes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)					Yes				
1. b. Has the policy been approved by the Board? (Yes/No)					Yes				
1. c. Web Link of the Policies, if available									
2. Whether the entity has translated the policy into procedures. (Yes / No)					Yes				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					No				
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.					None				
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.									
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	
	<p>Over the years, Metropolis has laid unrivalled emphasis on sustainability. Our Company has always kept pace with the changing times, actively adopting the best of available technologies, processes, and policies to meet the expanding confines of sustainability requirements. We constantly optimize the quality and scale of our operations, while minimizing resource consumption and the impact on the environment.</p> <p>On the community front, our Company has always been at the forefront of conducting impactful camps and driving numerous workshops around healthcare subjects for different sections of society. At Metropolis, we have partnered with societies, corporate groups, educational institutions, Government bodies, NGOs, wellness foundations and a host of other organizations to make a difference in the lives of people. In line with the UN Sustainable Development Goals, (i.e., SDG 3,4,5), our CSR initiatives are aimed at imparting education, creating awareness on Gender, Equality, Health, and Women's Empowerment.</p>

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	<p>The core teams of Metropolis across Corporate functions ensure that operations are sustainable in every aspect. The teams have been addressing key issues such as proper handling and disposal of biomedical waste, switching to biodegradable bags in place of plastic bags, water conservation, energy management, employee health and well-being, among others. During this financial year 2022-23, we embarked on our ESG journey and as a first step, we conducted a materiality assessment exercise on some key ESG topics that might impact our business. This assessment was conducted digitally on the GovEVA platform to understand the company's readiness vis-a-vis global standards. The matrix for the materiality was developed on the basis of the frameworks of GRI, SASB, and SDG.</p> <p>At Metropolis, we believe this analysis will help us in allocating resources effectively and implementing various initiatives under ESG that will enable us in making a larger impact and long-term value for stakeholders. We will continue to monitor and improve our ESG performance year-on-year. Furthermore, we remain dedicated to positively impacting society and the environment, while fulfilling our responsibilities as one of the country's leading pathologists.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No								

10. Details of Review of NGRBCs by the Company: Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any Other Committee									Frequency (Annually/ Half-yearly/ Quarterly/ Any Other – Please Specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	No																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	No																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency:

Sr. no	P1	P2	P3	P4	P5	P6	P7	P8	P9
No									





**12. If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)						-			
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)						-			
The entity does not have the financial or/human and technical resources available for the task (Yes/No)						-			
It is planned to be done in the next financial year (Yes/No)						-			
Any other reason (please specify)						-			

SECTION C: PRINCIPLEWISE PERFORMANCE DISCLOSURE**PRINCIPLE 1**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators**EI-1. Percentage covered by training and awareness programs on any of the Principles during the financial year:**

Segment	Total number of training and awareness programs held	Topics/Principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
 Board of Directors	4	<ul style="list-style-type: none"> Key regulatory updates Update on IT Systems of the Company 	100%
 Key Managerial personnel	1	<ul style="list-style-type: none"> Agile & strategic ways of working How to build high performing and highly engaged team Conceptual clarity on MHL and functional strategies How to drive business outcomes through critical projects 	25%
 Employees other than BoD and KMPs	20	<ul style="list-style-type: none"> 11 programs were conducted for Sales Teams and doctors to build functional knowledge. 6 'Power of I' Programs were conducted. The 'Power of I' sessions was built around Self Awareness, Leadership, Business Communication & People Management. These sessions were a great opportunity for professional development and growth. It's always beneficial to invest in oneself and develop skills that can help advance one's career or business. Three Round Tables were conducted around taking ownership, people leadership, and business communication which were particularly helpful in providing participants with practical tips and strategies for improving in these areas. It's important for individuals to learn how to take ownership of their work and responsibilities, as well as to effectively lead and communicate with others. 	48%
 Workers	2	<ul style="list-style-type: none"> One functional program was conducted as part of their induction & a behavioral program 'Power of I' was conducted 	100%

EI-2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Monetary

Category	NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary

Category	NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/Judicial Institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

Remark: There were no such cases. However, this information solely applies to Metropolis Healthcare operations.





EI-3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Sr. No.	Case Details	Name of the Regulatory/Enforcement Agencies/Judicial Institutions
1	-	-

EI-4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy:

No

EI-5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	(Current Financial Year)	(Previous Financial Year)
 Directors	0	0
 KMPs	0	0
 Employees	0	0
 Workers	0	0

**EI-6. Details of complaints with regard to conflict of interest:**

Category	Number (CY)	Remarks (CY)	Number (PY)	Remarks (PY)
Number of Complaints Received in Relation to Issues of Conflict of Interest of the Directors	0	-	0	-
Number of Complaints Received in Relation to Issues of Conflict of Interest of the KMPs	0	-	0	-

EI-7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

There were no cases of corruption and conflicts of interest. Thus, no corrective action was required.

Leadership Indicators**LI-1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programs held	Topics / Principles covered under the training	% of Value Chain Partners covered (by value of business done with such partners) under the awareness programs
-	-	-

LI-2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same. -

Yes, the company has a Code of Conduct for its Board Members and the Leadership Team that outlines the guidelines to prevent and manage conflict of interests. The Code of Conduct is made available on the company's website.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators**EI-1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

			Details of Improvements in Environmental and Social Impacts
R&D	Current Financial Year	Previous Financial Year	-
	-	-	
CAPEX	Current Financial Year	Previous Financial Year	Effluent treatment plant
	-	16,00,000	

EI-2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The company has been partnering with suppliers who adhere to environmentally and socially responsible practices. At Metropolis, we prefer doing business with ethical local suppliers who share our goals to reduce the adverse impact on the local community, the environment, and natural resources while protecting public health and safety. The business is currently developing a process for sustainable sourcing and will undertake various initiatives related to the same.

EI-2.b. If yes, what percentage of inputs were sourced sustainably?

NA

EI-3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

NA

EI-4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

NA

Leadership Indicators

LI-1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Sr. No.	NIC Code	Name of Product / Service	% of Total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
1				Not Applicable		

LI-2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the Risk / Concern	Action Taken
Testing	Health risks. Health-care waste contains potentially harmful microorganisms that can infect hospital patients, health workers and the general public	Disposal through Govt authorized partner
Calibration	Accuracy in results	Calibrated yearly once as per NABL norms
Testing	If the sewage is discharged without being treated into the lakes, rivers or grounds, it will contaminate the freshwater sources. Drinking this contaminated water will spread diseases	Wastewater disposed of after ETP

**LI-3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

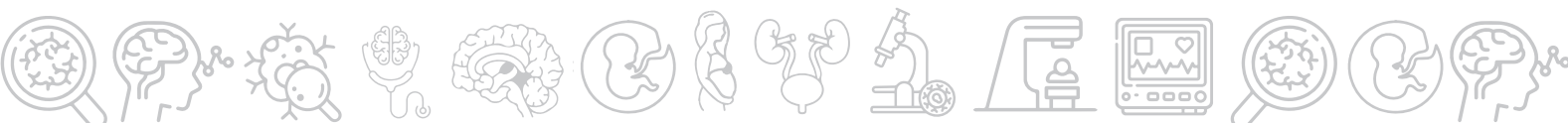
Indicate Input Material	Recycled or Re-used Input Material to Total Material	
	FY 2022-23	FY 2021-22
No Recycling /reused process	NA	NA

LI-4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
 Plastics (including Packaging)	NA	NA	NA	NA	NA	NA
 E-Waste	NA	NA	NA	NA	NA	NA
 Hazardous Waste	NA	NA	NA	NA	NA	NA
 Other Waste	NA	NA	NA	NA	NA	NA

LI-5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Sr. No.	Indicate Product Category	Reclaimed Products and their Packaging Materials as % of Total Products sold in respective category
1	-	-











PRINCIPLE 3





Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators





EI-1. a. Details of measures for the well-being of employees (Permanent Employees).

Category	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<div> Permanent Employees</div>											
<div> Male</div>	1,483	1,483	100%	1,483	100%	-	-	69	5%	-	-
<div> Female</div>	673	673	100%	673	100%	38	6%	-	-	-	-
<div> Total</div>	2,156	2,156	100%	2,156	100%	38	6%	69	5%	-	-
<div> Other than Permanent Employees</div>											
<div> Male</div>	121	9	7.4%	121	100%	-	-	1	1%	-	-
<div> Female</div>	144	9	6.3%	141	100%	0	0%	-	-	-	-
<div> Total</div>	265	18	7%	265	100%	0	0%	1	1%	-	-

EI-1. b. Details of measures for the well-being of workers. (Permanent Workers).





Category	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<div> Permanent Workers</div>											
<div> Male</div>	1,039	1,039	100%	1,039	100%	-	-	23	2.2%	--	--
<div> Female</div>	1,105	1,105	100%	1,105	100%	19	1.70%	--	--	--	--
<div> Total</div>	2,144	2,144	100%	2,144	100%	19	1.70%	23	2.2%	--	--



Category	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<div> Other than Permanent Workers</div>											
<div> Male</div>	124	124	100%	124	100%	-	-	1	0.81%	-	-
<div> Female</div>	76	76	100%	76	100%	3	3.90%	-	-	-	-
<div> Total</div>	200	200	100%	200	100%	3	3.90%	1	0.81%	-	-

Remarks: Employees are covered under Group Mediciam Insurance or ESIC

EI-2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	No. of employees covered as a % of total employees. (CY)	No. of workers covered as a % of total workers. (CY)	Deducted and deposited with the authority (Y/N/N.A.). (CY)	No. of employees covered as a % of total employees. (PY)	No. of workers covered as a % of total workers. (PY)	Deducted and deposited with the authority (Y/N/N.A.). (PY)
 PF	88.82%	100%	Y	90.46%	100%	Y
 Gratuity	89.48%	100%	Y	91.11%	100%	Y
 ESI	0%	100%	Y	0%	100%	Y
 Others – Please Specify	-	-	-	-	-	-

Remarks: Data consists of consultants for whom PF, Gratuity or ESIC isn't applicable.

EI-3. Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

The Company is going to implement Diversity Hiring in FY24 and will gradually ensure that the premises and offices are accessible to differently-abled people.

EI-4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

The Company is in the process of developing the policy and has processes in place to ensure equal opportunity.

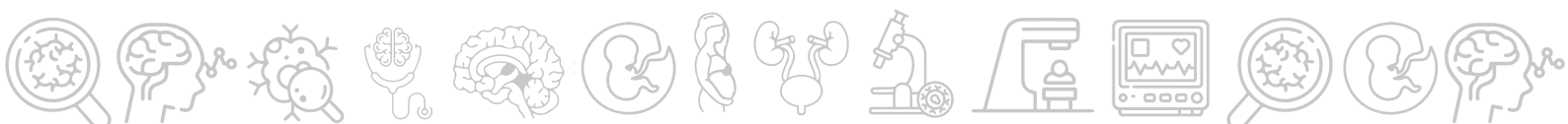


EI-5. Return to work and Retention rates of permanent employees and workers that took parental leave:







Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	72%	100%	69%
Female	91%	83%	100%	76%
Total	98%	74%	100%	72%

EI-6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:





Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes, the Company uses HRMS Software that helps and guides the employees to raise their concerns, which are resolved by the teams assigned to address the grievances.</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	







**EI-7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**









Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of Association(s) or Union(B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of Association(s) or Union(D)	%(D/C)
 Total Permanent Employees	-	-	-	-	-	-
 Male	-	-	-	-	-	-
 Female	-	-	-	-	-	-
 Total Permanent Workers	-	-	-	-	-	-
 Male	-	-	-	-	-	-
 Female	-	-	-	-	-	-

EI-8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
<div> Employees</div>										
<div> Male</div>	1,604	39	2%	416	26%	1,212	211	17%	467	39%
<div> Female</div>	817	35	4%	261	32%	483	154	32%	149	31%
<div> Total</div>	2,421	74	3%	677	28%	1,695	365	22%	616	36%

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(F/D)
<div> Workers</div>										
<div> Male</div>	1,163	30	3%	101	9%	844	117	14%	32	4%
<div> Female</div>	1,181	34	3%	126	11%	684	106	15%	122	18%
<div> Total</div>	2,344	64	3%	227	10%	1,528	223	15%	154	10%

EI-9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
 Employees						
 Male	1,607	1,403	87%	1,607	967	60%
 Female	818	698	85%	818	449	55%
 Total	2,425	2,101	87%	2,425	1,416	58%
 Workers						
 Male	1,160	1,010	87%	1,160	526	45%
 Female	1,180	988	84%	1,180	432	37%
 Total	2,340	1,998	85%	2,340	958	41%

EI-10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?:



The Company did not have any process in place during FY 2022-23 to capture the data. However, it has implemented an occupational health and safety management system with effect from April 2023, wherein a provision for capturing all occurrences in the system has been created. This will allow the monthly tabulation of data, as applicable with specific details.

EI-10. b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? -



In accordance with the recommended guidelines, the Company has identified the various workplace hazards that could arise and have developed the required policies and guidelines to address them. Additionally, the organization has put out a risk assessment and mitigation plan. In order to ensure compliance, our in-house Quality Control department conducts regular audits.

EI-10. c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N):











We provide documentation mechanism for reporting safety incidents.

EI-10. d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No):



Yes. The Mediclaim coverage is extended to all employees/workers, either through Group Mediclaim or ESIC, whichever is applicable.

EI-11. Details of safety related incidents, in the following format:



Safety Incident/Number	Category	FY 2022-23	FY 2021-22
<p>Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</p>	 Employees	-	-
	 Workers	-	-
<p>Total recordable work-related injuries</p>	 Employees	-	-
	 Workers	-	-
<p>No. of fatalities</p>	 Employees	-	-
	 Workers	-	-
<p>High consequence work-related injury or ill-health (excluding fatalities)</p>	 Employees	-	-
	 Workers	-	-

EI-12. Describe the measures taken by the entity to ensure a safe and healthy work place:



The Company has designed its labs and related-infrastructure which ensure that safety is inbuilt into the processes as per the applicable biosafety levels. Further, the office area is segregated from the lab area and all labs are treated as restricted entry. The employees follow standard safety precautions while processing samples. The administration team ensures fire safety; electrical safety checks are done periodically.



**EI-13. Number of complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Working Conditions	-	-	-	-	-	-
 Health & Safety	-	-	-	-	-	-

EI-14. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third-parties)
 Health and Safety Practices	-
 Working Conditions	-

EI-15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:

NA



Leadership Indicators**LI-1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):**

No. Only in case of accidental death, immediate family/nominees of employee gets compensatory package.

LI-2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:

As a responsible organization, post-salary disbursement, the Company initiates statutory challan preparation and verifies and validates the same, well before the due date to ensure compliance.

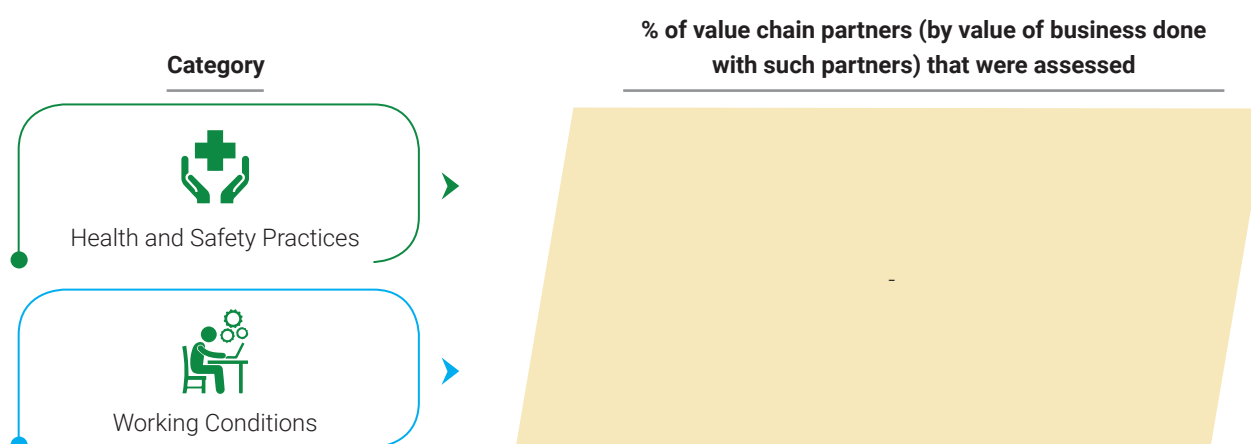
LI-3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q.11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
 Employees	-	-	-	-
 Workers	-	-	-	-

LI-4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No):

Transitional training in the Company is all about equipping employees with necessary skills and knowledge to move through transition. Examples include promotion, change of team or cross-functional within the organization.

LI-5. Details on assessment of value chain partners:



LI-6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

NA



PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

EI-1. Describe the processes for identifying key stakeholder groups of the entity:

The Company has undertaken a rigorous process to periodically identify and engage with internal and external stakeholders. It also takes the help of a professional ESG consultant for the same.

EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half Yearly/ Quarterly / Others – Please Specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	Emails, Surveys, Appraisals	Quarterly	Regular Company Updates / Training Needs
2	Franchised lab Partners	No	Emails, Surveys	Monthly	Promotional Schemes, Training Updates
3	Customers	No	Surveys, others	Monthly	Promotional Schemes, New Tests
4	Govt/Regulators	No	Email, Website	Quarterly, Half Yearly and Annually	Representations / Perspective on Change in Regulations / Upcoming Laws
5	Investors/ Shareholders	No	Email, Newspaper, Notice, Website	Quarterly, Half Yearly and annually	Financial Results / other Corporate Announcements

Leadership Indicators

LI-1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

Respective executives take care of the same and provide periodical updates to the Board by the CEO/MD.

LI-2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

Yes. The Company has done a detailed digital materiality assessment where the various stakeholders were polled through the double materiality approach and incorporated ESG strategies. The double materiality was conducted with the help of an external ESG consultant and multiple workshops were organized with the various stakeholders. The results of the assessment have been incorporated into the Company's ESG strategies.

LI-3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:









The Company is in the process of identifying vulnerable/marginalized stakeholders groups and developing an engagement plan.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators













EI-1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	%(B/A)	Total (C)	No. of employees / workers covered (D)	%(D/C)
 Employees						
 Permanent	2,350	1,626	69%	2,170	1,646	76%
 Other than Permanent	322	208	65%	368	190	52%
 Total Employees	2,672	1,834	69%	2,538	1,836	72%
 Workers						
 Permanent	2,091	1,531	73%	1,695	1,449	85%
 Other than Permanent	548	431	79%	255	169	66%
 Total Workers	2,639	1,962	74%	1,950	1,618	83%









EI-2. Details of minimum wages paid to employees, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E /D)	No.(F)	% (F/D)
Employees										
 Permanent										
 Male	1,483	0	0%	1,483	100%	1,138	0	0%	1,138	100%
 Female	673	0	0%	673	100%	398	0	0%	398	100%
 Other than Permanent										
 Male	121	0	0%	121	100%	77	0	0%	77	100%
 Female	144	0	0%	144	100%	85	0	0%	85	100%
Workers										
 Permanent										
 Male	1,039	1,039	100%	0	0%	733	733	100%	0	0%
 Female	1,105	1,105	100%	0	0%	636	636	100%	0	0%
 Other than Permanent										
 Male	124	124	100%	0	0%	108	108	100%	0	0%
 Female	76	76	100%	0	0%	48	48	100%	0	0%

EI-3. Details of remuneration/salary/wages, in the following format:

	<u>Male</u>		<u>Female</u>	
	<u>Number</u>	<u>Median Remuneration/ Salary/Wages of respective category</u>	<u>Number</u>	<u>Median Remuneration/ Salary/Wages of respective category</u>
 Board of Directors (BoD)	5	--	2	--
 Key Managerial Personnel	3	1,80,00,000	1	5,00,00,000
 Employees other than BoD and KMP	1,601	4,60,140	842	4,14,396
 Workers	1,163	2,33,904	1,181	2,35,776




EI-4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)-




No

EI-5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

No

EI-6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	<u>Filed during the year</u>	<u>Pending resolution at the end of year</u>	<u>Remarks</u>	<u>Filed during the year</u>	<u>Pending resolution at the end of year</u>	<u>Remarks</u>
 Sexual Harassment	2	1	NIL	0	0	NIL
 Discrimination at Workplace	0	0	NIL	0	0	NIL
 Child Labour	0	0	NIL	0	0	NIL

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Forced Labour/Involuntary Labour	0	0	NIL	0	0	NIL
 Wages	0	0	NIL	0	0	NIL
 Other Human Rights-Related Issues	0	0	NIL	0	0	NIL

El-7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

We have a dedicated Prevention of Sexual Harassment (POSH) committee in place to address all such complaints. As a process, we treat these complaints in a discreet manner and take necessary corrective actions accordingly.

El-8. Do human rights requirements form part of your business agreements and contracts? (Yes/No):

Yes

El-9. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third-parties)
 Child Labor	-
 Forced/Involuntary Labor	-
 Sexual Harassment	-
 Discrimination at Workplace	-
 Wages	-
 Others – Please Specify	-

Remark: Metropolis follows all relevant compliances year-on-year. However, during the financial year, we didn't undertake any assessments engaging statutory authorities or third parties. We intend to do this assessment during the financial year 2023-24 and put processes in place.

EI-10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above:

NA

Leadership Indicators

LI-1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints:

No




LI-2. Details of the scope and coverage of any Human rights due-diligence conducted:

No

LI-3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. Few of the Company's diagnostic centres have the required infrastructure to make it accessible to differently-abled patients. The company is working on to make gradual improvements in all the centres. Additionally, the company also offers home collection services to customers who are unable to travel to the centre owing to a disability or other medical issues.

LI-4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
 Sexual Harassment	-
 Discrimination at Workplace	-
 Child Labour	-
 Forced Labour/Involuntary Labour	-
 Wages	-
 Others – please specify	-



LI-5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:

NA

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

EI-1. Details of total energy consumption (in Joules or multiples) and energy intensity.

(GJ)

Parameter	FY 2022-23	FY 2021-22
Total Electricity consumption (A)	1,20,83,485	1,57,90,891
Total Fuel consumption (B)	31,236	30,455
Energy consumption through other sources (C)	-	-
Total Energy consumption (A+B+C)	1,21,14,721	1,58,21,346
Energy intensity per rupee of turnover (Total Energy Consumption/ Turnover in rupees)	113.642 GJ/Lakhs Rs.	141.624 GJ/Lakhs Rs.
Energy intensity (optional) – The relevant metric may be selected by the entity		

EI-1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

EI-2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

No

EI-3. Provide details of the following disclosures related to water, in the following format: Water withdrawal by source (in kilolitres)

(KL)

Parameter	FY 2022-23	FY 2021-22
Water Withdrawal by Source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	12,13,600	11,10,000
(iii) Third party water	4,92,000	4,90,000
(iv) Seawater / desalinated water	NA	NA
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	17,05,600	16,00,000

(KL)

Parameter	FY 2022-23	FY 2021-22
Total volume of water consumption (in kilolitres)	17,05,600	16,00,000
Water intensity per rupee of turnover (Water consumed / turnover)	15.999 KL/Lakhs Rs.	14.322 KL/Lakhs Rs.
Water intensity (optional) – the relevant metric may be selected by the entity. KL / Lakh		

EI-3. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency-

No

EI-4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

EI- 5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Current Financial Year	Previous Financial Year
NOx	-	-	-
Sox	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

EI-5. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

EI-6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	56.29	-
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	6,258.04	-
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent / rupee of turnover	0.059/Lakhs Rs.	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO ₂ equivalent / rupee of turnover	-	-



EI-6. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

EI-7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:

No

EI-8. Provide details related to waste management by the entity, in the following format:

(Metric Tonnes)

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	25,202	
E-waste(B)	41	
Bio-medical waste (C)	3,28,681	3,01,245
Construction and demolition waste (D)	23,400	31,000
Battery waste (E)	588	1,603
Radioactive waste (F)	NA	NA
Other Hazardous waste Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A + B + C + D + E + F + G + H)	3,77,912	3,33,848
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste – Plastic		
(i) Recycled	No Recycling	No Recycling
(ii) Re-used	Not reused	Not reused
(iii) Other recovery operations	Batteries, Construction waste and biomedical waste are disposed of through an authorized service provider	Batteries, Construction waste, and biomedical waste are disposed of through an authorized service provider
Total	-	-
Category of waste - E-Waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	-	-
Category of waste - Bio-medical waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	-	-

(Metric Tonnes)

Parameter	FY 2022-23	FY 2021-22
Category of waste - Construction and demolition waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	-	-
Category of waste - Battery waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	-	-
Category of waste - Radioactive waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	-	-
Category of waste - Other Hazardous waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	-	-
Category of waste - Other Non-Hazardous waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste – Plastic		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-
Category of waste - E-Waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-



(Metric Tonnes)

Parameter	FY 2022-23	FY 2021-22
Category of waste - Bio-medical Waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-
Category of waste - Construction and demolition waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-
Category of waste – Battery		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-
Category of waste – Radioactive		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-
Category of waste - Other Hazardous waste. Please specify, if any		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-
Category of waste - Other Non-hazardous waste generated		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total	-	-

EI-8. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. -

No



EI-9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

The Company follows below detailed practices to reduce usage of hazardous and toxic chemicals:

- Housekeeping Chemicals – The Company uses non-toxic and environmentally friendly chemicals for cleaning.
- Reagent/ Samples – The Company processes reagent/ sample mixed water in an effluent treatment plant before disposing it of.
- Bio-medical waste – Waste is segregated into different colored bins and covers with barcodes and handed over to an authorized partner.
- Refrigerant - New Purchase done in R32 & R407 recommended by ASHRAE.

EI-10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If No, the reasons thereof and corrective action taken, if any.
1	-	-	-

EI-11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Sr. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web-Link
1	-	-	-	-	-	-

Remarks: No, audit was conducted. All statutory norms were followed in terms of EHS.

EI-12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	-	-	-	-

Leadership Indicators

LI-1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From Renewable Sources		
Total Electricity consumption (A)	2,303.6	2,082.2
Total Fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	NA	NA
Total Energy consumed from Renewable Sources (A+B+C)	2,303.6	2,082.2



Parameter	FY 2022-23	FY 2021-22
From Non-Renewable Sources		
Total Electricity consumption (D)	NA	NA
Total Fuel consumption (E)	NA	NA
Energy consumption through other sources (F)	NA	NA
Total energy consumed from non-renewable sources (D+E+F)	NA	NA

Remarks: Solar Power accounts for 30% of Energy Consumption at Global Reference Laboratory which is purchased through third-party sources.

LI-1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

LI-2. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres):

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others (Corporation Drainage)		
- No treatment	2,07,000	No Data Available
- With treatment – please specify level of treatment	7,53,300 (Through ETP Plant)	No Data Available
Total water discharged (in kilolitres)		

LI-2. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

LI-3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

- (i) Name of the area:
The Company has laboratories in the following areas: Delhi, Mumbai, Chennai, Kolkata, and all upcountry sites.
- (ii) Nature of operations:
Effluent Treatment Plant & STP.

(iii) Water withdrawal, and consumption in the following format:

(KL)

Parameter	FY 2022-23	FY 2021-22
Water Withdrawal by Source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	NA	NA
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity.KL / Lakh	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

LI-3. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

LI-4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	153	NA
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent / rupee of turnover	0.0014 TCO ₂ e/Lakh Rs.	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO ₂ equivalent / rupee of turnover	-	-

LI-4. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

LI-5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

The Company doesn't have any laboratories in ecologically sensitive areas.

LI-6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

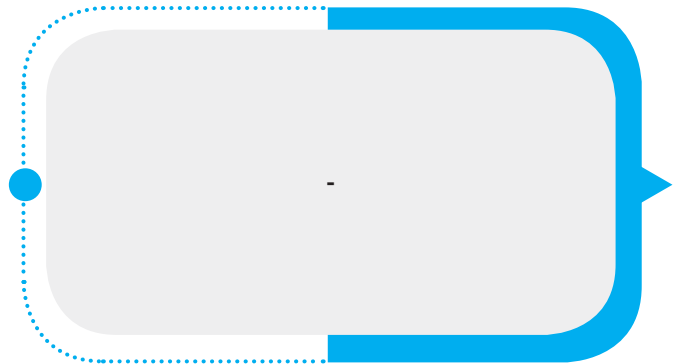
Sr. No.	Initiative Undertaken	Details of the Initiative (Web-Link, if any, May be Provided Along-with Summary)	Outcome of the Initiative
1	Effluent Treatment plant installation	Effluent treatment plant installation in close to 8 locations for minimizing the impact of water pollution	Approx. 1155 KL of Effluent treated before being discharged
2	CNG Kit installation	CNG Kits installed in 9 vehicles for minimizing the impact of air pollution	Reduction in carbon footprint and green initiatives. Approximately, 2018 liters of fuel saved.
3	Elimination of disposable water bottles usage	Pet bottles & Jars were given to all employees and disposable water bottles were banned inside the organization	Reduction in plastic waste and supporting a green environment and conservation of water
4	Eco-friendly initiatives	Sustainability initiative by installing hand dryers	Reduction of C- fold usage across the country and elimination of paper waste
5	End of life AC replacement	Old AC replaced with advanced, new-technology refrigerant	R-32 efficiently reduce the heat, minimize electricity consumption up to approximately 10% and support global warming
6	Third-party power procurement	30% of third-party power is generated through Solar & Wind	Renewable energy sources and reduction in carbon footprint
7	Usage of recycling paper	Procurement of eco-friendly paper for office usage	Conservation of trees and a 100% elemental chlorine-free product

LI-7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:

Metropolis has BCP and DR Plan in place which currently covers Global Reference Laboratory, Mumbai. In future, the plan is to include Regional Reference Laboratories across the country as well. Few points covered in the plan are as follows: -

- Assuring continuity of operations in case of any disaster / incident and resuming operations promptly without significant interruptions
- Implementing approach and action plan for any emergency / incident or disaster with Preventive, Detective, Corrective and Monitoring measures in place
- Building customer confidence and trust along with other external stakeholders, indicating responsiveness of the organization towards ESG
- Ensuring employee safety and security in case of external events, such as fire, earthquake etc.

LI-8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:



LI-9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:



PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators



EI-1.a. Number of affiliations with trade and industry chambers/ associations:





EI-1.b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sr. No	Name of the Trade and Industry Chambers/Associations	Reach of Trade and Industry Chambers/Associations (State/National)
1	NATHealth (Healthcare Federation of India)	National

EI-2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of Authority	Brief of the Case	Corrective Action Taken
-	-	-

Leadership Indicators

LI-1. Details of public policy positions advocated by the entity:

Sr. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (yes/no)	Frequency of review by Board (Annually/ Half yearly/ Quarterly / Others – Please specify)	Web Link, if available
1					

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Sr. No.	Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	-	-	-	-	-	-

EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs Covered by R&R	Amounts Paid to PAFs in the FY (In Rs.)
1	-	-	-	-	-	-



EI-3. Describe the mechanisms to receive and redress grievances of the community:

The Company is in the process of developing a mechanism to address community grievances.

EI-4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/ small producers.	20%	17%
Sourced directly from within the district and neighboring districts.	-	

Leadership Indicators

LI-1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of Negative Social Impact Identified	Corrective Action Taken
Not Applicable	Not Applicable

LI-2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District	Amount Spent (In Rs.)
-	-	-

LI-3.a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)-

No

LI-3.b. From which marginalized /vulnerable groups do you procure?: NA

LI-3.c. What percentage of total procurement (by value) does it constitute?:

NA





LI-4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Intellectual Property based on Traditional Knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes / No)	Basis of Calculating Benefit Share
-	-	-	-

LI-5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the Case	Corrective Action Taken
-	-	-

LI-6. Details of beneficiaries of CSR Projects

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Too Shy To Ask (TSTA) for Adolescent Well-Being	1,41,920	95%
2	Preventative Health Care Projects	3,00,00,00	100%
3	MedEngage	2,672	90%

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

EI-1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback-

Customers can register complaints through the Company's website, dedicated email (support@metropolisindia.com), call center and patient service centers. All the complaints are logged in the complaint log, resolved, and communicated to the customers. Documentation of RCA (Root Cause Analysis)/ CAPA (Corrective Action and Preventive Action) is done as well in the logger application.

EI-2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:



NA



Category	As a percentage to total turnover
Environmental and Social Parameters relevant to the Product	--
Safe and Responsible Usage	--
Recycling and/or Safe Disposal	--

EI-3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending Resolution at the end of the year	Remarks	Received during the year	Pending Resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising						
Cyber-Security	0	0		0	0	
Delivery of Essential Services	Please refer to Q.23 of Section A for complaints/queries received regarding the delivery/ non-delivery of essential services					
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other						

EI-4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary Recalls	-	NA
Forced Recalls	-	NA

EI-5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes, the Company has a policy on cyber security, and the link to the same is mentioned below

<https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Information%20Security%20Policy.pdf>

EI-6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

No such cases

LI-1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):

The Company's services can be accessed via its official website (www.metropolisindia.com), patient mobile app, by dialing its customer care number or by walking up to the local center.

LI-2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

All of the Company's centers have banners promoting prudent and safe use of its services. Additionally, for the benefit of consumers, sample collection procedure-related videos, information, and the significance of a variety of diagnostic tests available for consumers of all ages are posted on a regular basis on the Company's YouTube Channel.

LI-3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Relevant Communication processes are in place.

LI-4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No):

The Company uses a 'Net Promoter Score' Survey feedback system that is intended to assess customer experience with the Metropolis brand. The metric is used to gauge customer loyalty and satisfaction in order to improve its services. The current Net Promoter Score is 85.

LI-5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact:

No data breaches were reported during the period under review.

b. Percentage of data breaches involving personally identifiable information of customers:

Not applicable

BOARDS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 23rd Annual Report on the business and operations of the Company, along with the Audited Financial Statements for the financial year ended March 31, 2023.

FINANCIAL RESULTS:

The key highlights of the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023 in comparison with the previous financial year ended March 31, 2022 are summarized below:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2023	For the year ended March 31, 2022*	For the year ended March 31, 2023	For the year ended March 31, 2022*
Revenue from Operations	106,604.07	115,701.27	114,821.02	122,833.60
Other income	2,128.26	1,614.72	1,522.46	1,762.30
Total Income	108,732.33	117,315.99	116,343.48	124,595.90
Less: Total expenses	90,837.81	91,751.49	97,593.14	96,850.94
Profit before exceptional items and tax	17,894.52	25,564.50	18,750.34	27,744.96
Exceptional items	—	(1,590.15)	—	(1,590.15)
Profit before share of profit for equity accounted investees and tax	17,894.52	27,154.65	18,750.34	29,335.11
Share of loss for equity accounted investees (net of tax)	—	—	—	—
Profit Before Tax	17,894.52	27,154.65	18,750.34	29,335.11
Less: Tax Expenses	3,999.79	7,201.24	4,410.94	7,866.50
Profit after Tax	13,894.73	19,953.41	14,339.40	21,468.61
Basic Earning per share of face value of Rs. 2/- each	27.14	39.00	27.91	41.87
Diluted Earning per share of face value of Rs. 2/- each	27.05	38.81	27.81	41.66

* Amount of previous year are restated after including Dr. Ganesan's Hitech Diagnostic Centre Private Limited Amounts.

OPERATIONAL PERFORMANCE & FUTURE OUTLOOK

During the year under review, the Standalone income of your Company decreased to Rs. 108,732.33 Lakhs compared to Rs. 117,315.99 Lakhs in the previous year, registering a decline of 7.32% decrease. The Standalone profit after tax for the year decreased to Rs. 13,894.73 Lakhs as compared to Rs. 19,953.41 Lakhs in the previous year, registering a decrease of 30.36%.

Further, the consolidated income of the Group decreased to Rs. 116,343.48 Lakhs compared to Rs. 124,595.90 Lakhs in the previous year, registering a decline of 6.62%. The consolidated profit after tax for the Group decreased to Rs. 14,339.40 Lakhs as compared to Rs. 21,468.61 Lakhs in the previous year, registering a decline of 33.21%.

The operating and financial performance of your Company has been covered in the Management Discussion and Analysis Report, which forms a part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of your Company for the Financial Year 2022-23 are prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") and Ind AS 110 – Consolidated Financial Statements read with IND AS 28 – Investment in Associates and IND AS 31 – Interests in Joint Ventures, and SEBI (Listing Obligations Disclosures Requirements) Regulations, 2015. The Audited Consolidated Financial Statements form part of the Annual Report.

DIVIDEND

During the year under review, the Board of Directors at its meeting held on February 10, 2023 declared an interim dividend of Rs. 8 per equity share (face value of Rs. 2/- each) on 5,12,10,664 fully-paid up equity shares aggregating to total outflow of Rs. 40,96,85,312/-.

BOARDS' REPORT (Contd.)

The Interim Dividend was paid to those shareholders whose names appeared in the Register of Members as on the record date, i.e., February 23, 2023.

In order to conserve the resources for business requirements, your Board of Directors do not recommend final dividend for the financial year 2022-23.

The Dividend Payout is in accordance with your Company's Dividend Distribution Policy, which is available on the website of the Company which can be accessed through the following web link:

<https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL-Dividend-Distribution-Policy.pdf>

RESERVES

Your Directors do not propose to transfer any amount to General Reserves for the financial year 2022-23.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business or any activity of business of your Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes affecting the financial position of your Company between the end of the financial year and date of this report.

However, during the year under review, following mentioned are the material changes that took place, affecting the financial position of your Company

- The Members of Dr. Ganesan's Hitech Diagnostic Centre Private Limited ('Hitech') Subsidiary of the Company in their meeting held on April 01, 2022 accorded their approval for the Voluntary Liquidation of the Company and the consolidation of the business of Hitech through voluntary liquidation. Hitech has transferred its entire business undertaking to the Company on a going concern basis on and with effect from June 04, 2022. Hitech has filed petition with NCLT, Chennai for its voluntary liquidation.
- The Business operations of Metropolis Healthcare Uganda Limited, wholly owned subsidiary of the Company have commenced with effect from August 24, 2022.
- The Income Tax Department ('IT Department') conducted a search/ inquiry under the powers conferred

to them by the Income Tax Act, 1961 at the premises of the Company. The proceedings had no impact on the operational performance of the Company.

SCHEME OF ARRANGEMENT AND AMALGAMATION

The National Company Law Tribunal, Mumbai Bench ("NCLT") on June 02, 2022 pronounced the order sanctioning the Scheme of Amalgamation and Arrangement of Merger by Absorption of M/s. Bokil Golwilkar Metropolis Healthcare Private Limited, M/s. Desai Metropolis Health Services Private Limited, M/s. Dr. Patel Metropolis Healthcare Private Limited, M/s. Lab One Metropolis Healthcare Services Private Limited, M/s. Micron Metropolis Healthcare Private Limited, M/s. R. V. Metropolis Diagnostic & Health Care Center Private Limited, M/s. Raj Metropolis Healthcare Private Limited and M/s. Sudharma Metropolis Health Services Private Limited ("Subsidiary Companies") with M/s. Metropolis Healthcare Limited ("Holding Company") and their respective Shareholders which came into effect from July 11, 2022.

CHANGES IN CAPITAL STRUCTURE

The paid-up equity share capital of the Company has increased from Rs. 10,23,44,238 (Rupees Ten Crores Twenty-Three Lakhs Forty-Four Thousand Two Hundred and Thirty-Eight Only) to Rs. 10,24,21,328/- (Rupees Ten Crores Twenty-Four Lakhs Twenty-One Thousand Three Hundred and Twenty-Eight Only). The face value of each share is Rs. 2 (Rupees Two Only).

The said increase in the paid-up equity share capital is pursuant to the allotment of equity shares under the Metropolis Employee Stock Options Scheme-2015 (MESOS 2015) and Metropolis Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) to the eligible employees of the Company / Subsidiaries.

The details of allotment made under MESOS 2015 and MHL-RSU Plan, 2020 during the year under review is as follows:

Date of Allotment	No. of Equity Shares allotted under MESOS 2015	No. of Equity Shares allotted under MHL – RSU Plan, 2020
April 14, 2022	—	128
May 02, 2022	2,500	—
July 14, 2022	—	25,502
October 13, 2022	—	6,043
January 07, 2023	—	4,372
TOTAL	2,500	36,045

BOARDS' REPORT (Contd.)

During the year under review,

- The Company did not issue any shares with differential voting rights
- The Company did not buy back any shares,
- The Company did not issue any sweat equity shares
- The Company did not have any scheme to fund its employees to purchase the equity shares of your Company.

DEPOSITS

During the year under review, your Company has not accepted/invited deposits from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and has not taken any loan from the Promoter Directors.

MATERIAL SUBSIDIARY

Your Company has formulated a Policy for determining Material Subsidiaries. Further, as per the Policy, your Company does not have any Material Subsidiary as on March 31, 2023.

The Policy is available on the website of your Company which can be accessed through the following weblink:

https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/9+MHL_Policy+for+determination+of+Material+Subsidiary.pdf

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Subsidiary Companies of your Company continued to perform in their respective areas as per the plan and thus contributed firmly to the revenue and profits of your Company.

As on March 31, 2023, your Company has 4 domestic subsidiaries and 7 overseas subsidiaries (including five step-down overseas subsidiaries), 1 Foreign branch (which is considered as a foreign Company in the respective country) and 1 overseas Associate Company.

Pursuant to Section 129(3) of the Companies Act, 2013 a Statement containing the salient features of the Financial Statements of your Company's Subsidiaries, Joint Ventures, Associate Companies in the specified format i.e. Form AOC – 1 is annexed as "**Annexure 1**" to this report.

During the year under review, Bokil Golwilkar Metropolis Healthcare Private Limited, Desai Metropolis Health Services Private Limited, Dr. Patel Metropolis Healthcare Private Limited, Lab One Metropolis Healthcare Services Private Limited, Micron Metropolis Healthcare Private Limited, R. V. Metropolis Diagnostic & Health Care Center Private Limited, Raj Metropolis Healthcare Private Limited and Sudharma Metropolis Health Services Private Limited ceased to be

subsidiaries on account of merger with Metropolis Healthcare Limited w.e.f. July 11, 2022.

BOARD OF DIRECTORS

As on March 31, 2023, the Board of your Company consists of 7 (Seven) Directors, of which 5 (Five) are Non-Executive Directors & 2 (Two) are Executive Directors. The constitution of the Board of your Company is in accordance with Section 149(6) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On the basis of the written representations received from the Directors, none of the above-mentioned directors are disqualified under Section 164 (2) of the Companies Act, 2013 and are also not debarred by SEBI or any other Statutory authority for holding office as a Director.

KEY MANAGERIAL PERSONNEL

As per the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company as on March 31, 2023 were as under:

1. Dr. Sushil Shah, Chairman & Whole-time Director;
2. Ms. Ameera Shah, Managing Director;
3. Mr. Surendran Chemmenkotil, Chief Executive Officer
4. Mr. Rakesh Kumar Agarwal, Chief Financial Officer;

During the financial year under review,

- Mr. Vijender Singh, Chief Executive Officer, resigned from the Company with effect from August 17, 2022
- Mr. Surendran Chemmenkotil was appointed as Chief Executive Officer with effect from January 02, 2023.
- Mrs. Simmi Singh Bisht, Company Secretary designated as Head – Legal and Secretarial has resigned from the Company with effect from January 07, 2023 and Ms. Neha Shah was appointed as an Interim Compliance Officer w.e.f. January 08, 2023.

RE-APPOINTMENT OF INDEPENDENT DIRECTOR

The first term of office of Mr. Vivek Gambhir and Mr. Sanjay Bhatnagar as Independent Directors will cease on September 06, 2023.

The Board on the recommendation of Nomination and Remuneration Committee has recommended their reappointment as Independent Director of the Company for a second term of 5 (five) consecutive years w.e.f. September 07, 2023. Appropriate resolutions for their re-appointment have being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the 23th AGM of the Company.

BOARDS' REPORT (Contd.)

DIRECTORS RETIRING BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, out of the total Directors, two-third of the Directors shall retire by rotation every year and if eligible, offer themselves for re-appointment at the AGM.

Mr. Hemant Sachdev, a Non-Executive Non-Independent Director of the Company, is liable to retire by rotation and being eligible, he has offered himself for re-appointment. The Board of Directors recommended his re-appointment in their meeting held on May 16, 2023 and the same is being placed before the Members for their approval at the ensuing 23rd Annual General Meeting of the Company. Pursuant to Regulation 36 of the SEBI (Listing Obligations Disclosures Requirements) Regulations, 2015 read with Secretarial Standards – 2 on General Meetings, a brief profile of Mr. Hemant Sachdev is provided as an Annexure to the Notice of the 23rd Annual General Meeting.

DECLARATION OF INDEPENDENCE

Pursuant to the provisions of Section 149, 152 of the Companies Act, 2013, read with Schedule IV and other applicable provisions, if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are appointed for a term of 5 years and are not liable to retire by rotation.

Further, the Company has received the declarations from the Independent Directors confirming that they meet with the criteria of Independence as prescribed under the provisions of Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been taken on record by Company.

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationships or transactions with the Company, other than receiving the sitting fees, Commission, if any, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

Pursuant to the SEBI Regulations, the Company has worked out, a Familiarization Programme for the Independent Directors, with a view to familiarize them with their role, rights, and responsibilities in the Company, the nature of the Industry in which the Company operates, its business plans, business model, corporate strategy etc.

The Directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances the Company's vision, core values, ethics, and corporate governance practices.

Details of the Familiarization Programme of Independent Directors with the Company are available on the website of the Company and can be accessed through the following weblink:

<https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Summary%20of%20familiarization%20programs%20imparted%20to%20Independent%20Directors.pdf>

PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, the Board of Directors of your Company have carried out Annual Performance evaluation of:

- (i) Their own performance as a whole;
- (ii) Individual Directors Performance; and
- (iii) Performance of all Committees of the Board for the Financial Year 2022-23.

The performance of the Board as a Whole and of its Committees was evaluated by the Board through a structured questionnaire which covered various aspects such as the composition, quality and performance of the Board, meetings and procedures, contribution to Board processes, effectiveness of the functions allocated, relationship with Management, professional development, adequacy, appropriateness, and timeliness of information etc.

Taking into consideration the responses received from the Individual Directors the performance of the Board and its Committees was evaluated. The Directors expressed their satisfaction with the evaluation process.

In terms of the requirements of Schedule IV of the Act, a separate meeting of Independent Directors of the Company was held on February 04, 2023 to review:

- (a) The performance of Non-Independent Directors (including the Chairperson);
- (b) The performance of the Board as a whole and its Committees thereof, taking into views of Executive and Non-Executive Directors; and
- (c) To assess the quality, quantity, and timeliness of the flow of information between the Management and the Board.

The performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

BOARDS' REPORT (Contd.)

NOMINATION AND REMUNERATION POLICY

The brief on the policy of nomination and remuneration and other matters provided in Section 178(3) of the Act have been disclosed in the Corporate Governance Report, which forms part of the Annual Report of the Company. The Nomination and Remuneration Policy is also available on the website of the Company and can be accessed through the following weblink:

https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Nomination-and-Remuneration-Policy.pdf

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Management had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Management had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Management had prepared the Annual Accounts on a going concern basis; and
- (e) the Management had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. (For the purposes of this clause, the term "internal financial controls" means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the 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);
- (f) the Management had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report as per clause (f) of sub regulation (2) of Regulation 34 of SEBI (Listing Obligations Disclosures Requirements), Regulations, 2015 is applicable to the Company.

The Business Responsibility and Sustainability Report for the financial year ended March 31, 2023 is presented in a separate section and forms part of the Annual Report of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section and forms part of the Annual Report of the Company.

COMMITTEES OF THE BOARD

The Board of Directors of your Company have formed various Committees, as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as a part of good corporate governance practices. The terms of reference and the constitution of those Committees are in compliance with the applicable laws.

In order to ensure focused attention on business, better governance and accountability, the Board has constituted the following committees:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholder Relationship Committee;
- d) Corporate Social Responsibility Committee;
- e) Risk Management Committee.

The details with respect to the Composition, powers, roles, terms of reference, etc. of the aforesaid committees are given in details in the "Corporate Governance Report" which is presented in a separate section and forms part of the Annual Report of the Company.

MEETINGS OF THE BOARD

During the year under review, the Board of Directors met 7 (Seven) times, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.



BOARDS' REPORT (Contd.)

The Dates of the Board Meeting are as follows

1. May 27, 2022
2. July 18, 2022
3. August 10, 2022
4. November 08, 2022
5. December 08, 2022
6. February 10, 2023
7. March 31, 2023

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and the company's operations in the future.

ANNUAL RETURN

The Annual Return in Form MGT-7 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company and can be accessed through the following weblink: <https://www.metropolisindia.com/investors>

PARTICULARS OF LOANS, GUARANTEES, AND INVESTMENTS

Details of Loans, Guarantees, and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and the rules made thereunder are given in the note no. 51 to the Financial Statements.

INSTANCES OF FRAUD, IF ANY, REPORTED BY THE AUDITORS:

During the year under review, the Auditors of the Company have not reported any fraud under Section 143 (12) of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

The Company has a Related Party Transaction Policy in place which is in accordance with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The said Policy is available on the Company's website which can be accessed through the following weblink:

https://www.metropolisindia.com/newdata/Investors/Dislosures%20under%20Regulation%2046%20of%20LODR/MHL_RPT%20Policy%20V2_final_for%20uploading.pdf

All the Related Party Transactions entered into during the year under review, were entered in the Ordinary course of business and on an arm's length basis. There were no materially significant Related Party Transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or

other designated persons which may have a potential conflict with the interest of the Company at large.

Further, since the transactions with the related parties were in the ordinary course of business and at arm's length pricing, not material in nature and in accordance with the Related Party Transactions Policy, the particulars of such transactions with the related parties are not required to be reported by the Company in Form AOC-2.

All the Related Party Transactions are reviewed by the Audit Committee and the Board on a quarterly basis.

The members may refer to note no. 40 to the financial statements, which set out Related Party Disclosures.

AUDITORS AND REPORTS

Statutory Auditors

M/s. BSR & Co. LLP, Chartered Accountants (ICAI Firm No. 101248W/W-100022), were re-appointed as the Statutory Auditors of the Company in the 22nd Annual General Meeting held on August 17, 2022 to hold office till the conclusion of the Annual General Meeting of the Company to be held in the Financial year 2026-27.

Secretarial Auditor

Pursuant to Section 204 read with Section 134(3) of the Companies Act, 2013 along with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Manish Ghia & Associates, Practising Company Secretaries, Mumbai, to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2023. The Secretarial Audit Report in the prescribed Form No. MR-3 is annexed as "**Annexure 2**" and forms a part of this report.

There is no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors or Secretarial Auditors in their Report.

The Company has ensured that books of accounts and other relevant books & papers are always maintained in an electronic mode and accessible in India. However, the Company's server of the ERP system is on the cloud which is located outside India and daily back-up was started effective March 29, 2023 instead of August 11, 2022.

INTERNAL AUDITOR

The Company has a robust internal audit system for assessment of audit findings and its mitigation. The Internal Audit function covers all the labs, inventory audit, stock take, audit for project related accounts, corporate accounts etc.

Pursuant to the provisions of Section 138 of the Companies Act, 2013 along with the Companies (Accounts) Rules, 2014, and based on the recommendation of the Audit Committee, M/s. Suresh Surana & Associates LLP, were appointed by the

BOARDS' REPORT (Contd.)

Board of Directors to conduct internal audit reviews of the Company and they directly report to the Audit Committee for functional matters.

The Audit Committee in its quarterly meetings reviews the internal audit and internal control systems. The Company's internal controls commensurate with the size and operations of the business. Continuous internal monitoring mechanism ensures timely identification and redressal of issues.

RECONCILIATION OF SHARE CAPITAL

A qualified Practicing Company Secretary has carried out quarterly audits to reconcile the total admitted equity share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), along with the total issued and listed equity shares capital. These audits confirm that the total issued and paid-up equity share capital tallies with the total number of equity shares in physical form, plus the total number of dematerialized shares held by NSDL and CDSL.

RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy wherein all material risks faced by the Company are identified and assessed. The Company has formed a Risk Management Committee which defines the risk management approach, does collective identification of risks which are impacting the Company's business and documents, and ensures mitigation and optimization of such risks. The Risk Management Policy is available on the website of the Company and can be accessed through the following weblink:

https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Risk-Management-Policy.pdf

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

During the year under review, the Company had an effective and robust internal control system in place which included financial controls as well. The systems were assessed at regular intervals to identify any weakness and services of professional consultants were obtained to remove such weaknesses wherever required.

Further, the members of the Audit Committee on regular basis communicates with the Statutory Auditors, Internal Auditors and management to deal with the matters within their terms of reference.

The Company is complying with all the applicable Indian Accounting Standards (Ind AS). The accounting records are maintained in accordance with generally accepted accounting principles in India. This ensures that the financial statements reflect the true and fair financial position of the Company.

The details of the internal financial control systems and their adequacy are included in a detailed manner in the Management Discussions and Analysis Report, which forms part of the Annual Report.

MAINTENANCE OF COST RECORDS

Provisions of maintenance of Cost records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013 are applicable to the Company. Accordingly, such Cost accounts are made and the Cost records are maintained by the Company in the prescribed format.

COST AUDITOR

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Company is required to conduct an audit of its Cost records. The aforementioned audit is required to be conducted by a Cost Accountant. Accordingly, the Board of Directors of the Company, based on the recommendation of the Audit Committee, have approved the appointment of M/s. Joshi Apte & Associates (Registration No. 00240) as the Cost Auditors of the Company to conduct Cost audit as prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year 2023-24 at a remuneration of Rs. 1,50,000/- plus applicable GST and reimbursement for travelling and out-of-pocket expenses, subject to the ratification of their remuneration by the Members of the Company at the ensuing AGM.

As per Section 141 of the Act and the Rules framed thereunder, M/s. Joshi Apte & Associates have furnished a certificate confirming their eligibility and consent for appointment as Cost Auditors of the Company.

M/s. Joshi Apte & Associates, have vast experience in the field of Cost audit and have conducted the audit of the Cost records of the Company for the past several years.

DISCLOSURE OF REMUNERATION OR COMMISSION RECEIVED BY A MANAGING OR WHOLE-TIME DIRECTOR FROM THE COMPANY'S HOLDING OR SUBSIDIARY COMPANY

The Managing Director and Whole Time Director have not received any remuneration from the Subsidiary Companies.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details such as the constitution, terms of reference, etc. of the Committee and the meetings held during the year are detailed in the Corporate Governance Report, which forms a part of the Annual Report of the Company.



BOARDS' REPORT (Contd.)

The CSR Policy of the Company as approved by the Board, based on the recommendation of the CSR Committee are available on the website of the Company and can be accessed through the following web link:

https://www.metropolisindia.com/newdata/Investors/CSR/MHL-Revised+CSR+policy_wef+May+27-2021.pdf

The complete details on the CSR activities are annexed as **"Annexure 3"** to the Board's Report.

CORPORATE GOVERNANCE

Report on Corporate Governance and Certificate by the Secretarial Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in a separate section and forms part of the Annual Report of the Company.

CREDIT RATING

During the year under review, CRISIL, a Credit Rating agency has given a rating of 'CRISIL AA-/Positive' on the Non-Convertible Debentures and the long-term loan facility of the Company.

Further, CRISIL has also reaffirmed its CRISIL A1+ rating to the short term bank facility of the Company.

The Company has not issued any Non-convertible debentures and the Company has an outstanding bank loan of Rs. 7916.67 Lakhs for the financial year ended March 31, 2023.

EMPLOYEE STOCK OPTIONS / RSU PLAN

The Nomination and Remuneration Committee of the Company, inter alia, administers and monitors the Employees' Stock Option Plan as well as the Metropolis – Restrictive Stock Unit Plan, 2020, of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations").

During the year under review, there was an addition of 100,000 (One Lakh) RSU's in the existing pool under the MHL-RSU Plan, 2020. The said addition increased the RSU pool from 2,70,000 (Two Lakhs Seventy Thousand) to 3,70,000 (Three Lakhs Seventy Thousand) RSU's.

During the year under review, the following allotment of shares took place pursuant to MESOS 2015 and RSU Plan, 2020:

Date of Allotment	No. of Equity Shares allotted under MESOS 2015	No. of Equity Shares allotted under MHL – RSU Plan, 2020
April 14, 2022	—	128
May 02, 2022	2,500	—
July 14, 2022	—	25,502
October 13, 2022	—	6,043
January 07, 2023	—	4,372
TOTAL	2,500	36,045

The details of Employee Stock Options / Units pursuant to Section 62 of the Companies Act, 2013 read with Rules made thereunder and SEBI (Share Based Employee Benefits) Regulations, 2014 are annexed to this report as **"Annexure 4"**.

INDUSTRIAL RELATIONS

The Company's relations with all its employees remained cordial and satisfactory during the year under review.

PARTICULARS OF EMPLOYEES

The disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **"Annexure 5"**.

The statement containing the names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary/ Compliance Officer of the Company.

DEMATERIALIZATION OF SHARES

All the Shares of your Company are in Dematerialization mode. The ISIN of the Equity Shares of your Company is INE112L01020.

STATUTORY DISCLOSURES

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of The Companies (Accounts) Rules, 2014 is as follows:

BOARDS' REPORT (Contd.)

A CONSERVATION OF ENERGY	
i)	<p>Steps taken or impact on conservation of energy</p> <p>Your Company accords highest priority to energy conservation and is committed to energy conservation measures, including regular review of energy consumption and effective control of utilization of energy. The Company has designed its facilities keeping in view the objective of minimum energy loss. The Company has taken all steps to conserve Energy in the work place by educating and training the employees to conserve energy.</p> <p>The Company has installed inverter AC in areas which are operating at extended hours. Energy saving LED lights are installed at various laboratories and collection centres.</p> <p>Every year, an energy audit is conducted at the Central Laboratory of the Company, which is carried out by an Independent Professional Agency.</p>
ii)	<p>Steps taken by the Company for utilizing alternate sources of energy</p> <p>The Company, being in the service industry, does not have any power generation units and did not produce/generate any renewable or conventional power</p>
iii)	<p>Capital investment on energy conservation equipment</p> <p>The Capital investment on energy conservation equipment is insignificant.</p>
B TECHNOLOGY ABSORPTION	
i)	<p>Efforts made towards technology absorption</p> <p>The Company being in the Service Sector has adopted all new technology in terms of new software and hardware and latest machinery with automated processes, available in the current Techno-environment which commensurate to the size, scale, and complexity of its operations.</p>
ii)	<p>Benefits derived from technology absorption</p> <p>Technology absorption has helped the Company to provide better and more accurate service to the Customers.</p>
iii)	<p>Details of Imported technology (last three years)</p> <p>--</p>
-	<p>Details of technology imported</p> <p>Nil</p>
-	<p>Year of Import</p> <p>N.A.</p>
-	<p>Whether technology being fully absorbed</p> <p>N.A.</p>
-	<p>If not fully absorbed, areas where absorption has not taken place and reasons thereof</p> <p>N.A.</p>
iv)	<p>Expenditure incurred on Research and development</p> <p>Nil</p>
C FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs. in Lakhs)	
i)	<p>Foreign Exchange inflow</p> <p>1,822.50</p>
ii)	<p>Foreign Exchange outflow</p> <p>502.76</p>



BOARDS' REPORT (Contd.)

VIGIL MECHANISM/ WHISTLEBLOWER

The Company has in place a vigil mechanism in place in accordance with Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, for Director and employees to report their genuine concerns about unethical behaviour, actual or suspected fraud and violation of the Company's code of conduct, the details of which are given in the Corporate Governance Report.

The Policy on Vigil Mechanism and Whistleblower is available on the website of the Company and can be accessed through the following weblink:

https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Whistle_Blower_Policy.pdf

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has an Internal Complaints Committee, providing a redressal mechanism pertaining to sexual harassment of women employees at the workplace, the details of which are given in the Corporate Governance Report

During the year under review, 2 (two) complaints were received out of which 1 (one) was resolved during the year and 1 (one) after the closure of the financial year. Both Complaints were

resolved in accordance with Company's Policy on prevention of Sexual Harassment.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. Further, during the year under review, the Company has complied with all the applicable provisions, laws and secretarial standards.

CAUTIONARY STATEMENT

The statements in this Report, particularly those which relate to Management Discussion and Analysis as explained in a separate Section in this Report, describing the Company's objectives, projections, estimates, and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement, depending on the circumstances.

APPRECIATIONS

Your Directors acknowledge the valuable contribution of all its employees at all levels in the continuous growth of the Company and making it a dominant player in the market.

The Directors would also like to thank the Company's Joint Venture Partners, Banks, and other Stakeholders for their continued co-operation and support in the Company's growth and in its operations.

For and On Behalf of the Board of Directors
Metropolis Healthcare Limited

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place: Mumbai

Date: May 16, 2023

ANNEXURE 1

FORM AOC-1
(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
PART "A": SUBSIDIARIES
(Information in respect of each subsidiary presented with amounts in Rs. in Lakhs)

Sr. No.	Name of Subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover/ Op. Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (inclusive tax)	% of share-holding
1	Amin's Pathology Laboratory Private Limited	October 15, 2012	March 31, 2023	Rs.	10.00	1,199.18	1,631.89	422.71	-	1,480.81	349.51	84.95	264.56	-	100.00%
2	Ekopath Metropolis Lab Services Private Limited	February 14, 2013	March 31, 2023	Rs.	51.00	539.73	865.55	274.82	-	753.22	171.03	43.52	127.51		60.00%
3	Centralab Healthcare Services Private Limited	October 22, 2021	March 31, 2023	Rs.	435.00	223.77	1,030.25	371.48	-	1,209.29	231.58	57.16	174.42		100.00%
4	Metropolis Histoxpert Digital Services Private Limited	November 26, 2021	March 31, 2023	Rs.	300.00	(322.73)	32.74	55.47	-	-	(5.00)	-	(5.00)		100.00%
5	Metropolis Healthcare (Mauritius) Limited	September 11, 2012	March 31, 2023	1USD= Rs. 82.1106(BS) Rs. 80.3015(PL)	125.69	(387.08)	1754.17	2,015.56	380.76	1,128.14	108.08	-	108.08		100.00%
6	Metropolis Bramser Lab Services (Mtius) Limited	June 08, 2012	December 31, 2022	1 MUR=Rs. 1.8810(BS) Rs. 1.7795(PL)	0.19	155.58	218.88	63.11	-	-	31.61	(0.39)	32.00		100.00%
7	Metropolis Star Lab Kenya Limited	February 25, 2013	December 31, 2022	1 KSHS= Rs. 0.6721(BS) Rs. 0.6663(PL)	5.44	3,637.57	4,466.32	823.31	-	4,551.51	1,435.01	434.54	1,000.47		100.00%

ANNEXURE 1 (Contd.)

Sr. No.	Name of Subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover/ Op. Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (inclusive tax)	% of share-holding
8	Metropolis Healthcare Ghana Limited	May 02, 2014	December 31, 2022	1 GHC = Rs. 8.1057(BS) Rs. 9.2320(PL)	182.40	(585.08)	735.71	1,138.39	-	910.63	(544.22)	(173.01)	(371.21)		100.00%
9	Metropolis Healthcare Lanka Private Limited (Formerly known as Nawaloka Metropolis Laboratories Private Limited)	June 08, 2005	March 31, 2023	1 SLR = Rs. 0.2486(BS) Rs. 0.2254(PL)	11.04	(80.17)	463.14	532.27	-	89.43	(0.43)	-	(0.43)		100.00%
10	Metropolis Healthcare (Tanzania) Limited	August 19, 2018	December 31, 2022	1 Tshs = Rs. 0.0354(BS) Rs. 0.0338(PL)	139.39	3.47	371.58	228.72	-	426.89	(1.30)	-	(1.30)		99.99%
11	Metropolis Healthcare Uganda Limited ^a	July 22, 2015	December 31, 2022	1 Ushs = Rs. 0.0222(BS) Rs. 0.0216(PL)	5.56	(59.95)	216.27	270.66	-	20.35	(84.01)	(26.41)	(57.60)		100.00%

ANNEXURE 1 (Contd.)

ANNEXURE "B": FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "B": ASSOCIATES AND JOINT VENTURES

(Information in respect of each Associate/Joint Venture Companies presented with amounts in Rs.
for the year ended March 31, 2023)

	Name of Associates/Joint Ventures	Star Metropolis Health Services Middle East LLC#
1	Latest audited Balance Sheet Date	Unaudited
2	Shares of Associate/Joint Ventures held by the Company on the year end	
	(i) Number	1020
	(ii) Amount of Investment in Associates/Joint Venture	34%
	(iii) Extend of Holding %	
3	Description of how there is significant influence	Shareholding
4	Reason why the Associate/Joint Venture is not consolidated	Non-availability of Financial information
5	Networth attributable to Shareholding as per latest Audited Balance Sheet	
6	Profit / (Loss) for the year	
	(i) Considered in Consolidation	
	(ii) Not Considered in Consolidation	
1	Names of Associates or Joint Ventures which are yet to commence operations.- N.A.	
2	Names of Associates or Joint ventures which have been liquidated or sold during the year.- N.A.	

Entity no longer an Associate (Refer note no 52)

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

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

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

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai

Place: Mumbai
Date: May 16, 2023

ANNEXURE 2

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Metropolis Healthcare Limited

Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Metropolis Healthcare Limited** (L73100MH2000PLC192798) and having its registered office at 250 D, Udyog Bhavan, Worli, Mumbai-400030 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);** and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The Clinical Establishments (Registration and Regulation) Act, 2010 and rules made thereunder; Preconception and The Atomic Energy Act 1962 and rules made there under; and Bio Medical Waste (Management and Handling) Rules, 1988 framed under Environment (Protection) Act, 1986 being laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the year under review.

ANNEXURE 2 (Contd.)

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that some of the Board Meetings of the Company during the year under review, were held at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. However, in the minutes of the meetings of Board and its Committees, for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

As mentioned in the Report of Statutory Auditors dated May 16, 2023, the Company has not kept backup of the books of account and other relevant books and papers in electronic mode on a daily basis on servers physically located in India during the period August 11, 2022 to March 29, 2023.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards, guidelines and directions.

We further report that during the audit period:

1. the Company allotted -
 - (a) 128 Equity Shares of Rs. 2/- each on April 14, 2022, pursuant to units exercised by unit holders under "Metropolis-Restrictive Stock Unit Plan, 2020 ("MHL-RSU Plan, 2020"); the said shares have been listed at NSE and BSE and admitted to dealings w.e.f. May 25, 2022;
 - (b) 2,500 Equity Shares of Rs. 2/- each on May 02, 2022, pursuant to units exercised by unit holders under "Metropolis Employees Stock Option Scheme, 2015 ("MESOS 2015"); the said shares have been listed at NSE and BSE and admitted to dealings w.e.f. June 24, 2022;
 - (c) 25,502 Equity Shares of Rs. 2/- each on July 14, 2022, pursuant to units exercised by unit holders under MHL-RSU Plan, 2020; the said shares have been listed at NSE and BSE and admitted to dealings w.e.f. August 29, 2022;
 - (d) 6,043 Equity Shares of Rs. 2/- each on October 13, 2022, pursuant to exercise of options by the unit holders under MHL-RSU Plan, 2020; subsequently the said shares got listed on NSE and BSE and admitted to dealings w.e.f. November 04, 2022; and
 - (e) 4,372 Equity Shares of Rs. 2/- each on January 07,

2023, pursuant to exercise of options by the unit holders under MHL-RSU Plan, 2020; subsequently the said shares got listed on NSE and BSE and admitted to dealings w.e.f. February 21, 2023.

2. the Company approved grant of 28,800, 66,850 and 7,000 Restricted Stock Units pursuant to the MHL-RSU Plan, 2020 to the eligible employees of the Company and Subsidiary(ies) on May 24, 2022, July 16, 2022 and August 10, 2022 respectively;
3. the Company has approved (as a member/shareholder) the voluntary liquidation of Dr. Ganesan's Hitech Diagnostic Centre Private Limited ('Hitech'), a wholly owned subsidiary of the Company, vide special resolution passed at the Extra Ordinary General Meeting of Hitech held on April 01, 2022. Further, pursuant to the voluntary liquidation process, the liquidator of Hitech has transferred the entire business undertaking of Hitech to the Company on a going concern basis on and with effect from June 04, 2022;
4. the Company had filed an application to National Company Law Tribunal, Mumbai Bench (NCLT) under the provisions of sections 230 to 232 of the Companies Act, 2013 for merger of its wholly owned subsidiaries viz., Bokil Golwilkar Metropolis Healthcare Private Limited; Desai Metropolis Health Services Private Limited; Dr. Patel Metropolis Healthcare Private Limited; Lab One Metropolis Healthcare Services Private Limited; Micron Metropolis Healthcare Private Limited; R.V. Metropolis Diagnostic & Health Care Center Private Limited; Raj Metropolis Healthcare Private Limited and Sudharma Metropolis Health Services Private Limited (collectively referred to as Transferor Companies) with itself by a Scheme of merger which was approved by Board of Directors in its meeting held on August 06, 2021; the said merger has been sanctioned by Hon'ble National Company Law Tribunal, Mumbai bench, vide its order dated June 02, 2022; the Certified True Copy of the said order, which was received on July 05, 2022, and has been filed with the respective Registrar of Companies by the Transferor companies on and the Company on July 11, 2022;
5. the Board of Directors at their meetings held on May 24, 2022, July 18, 2022, and members vide Special Resolution passed at the 22nd Annual General Meeting held on August 17, 2022, approved amendments to the MHL-RSU Plan, 2020 for i) increasing the existing pool size of the Scheme from 2,70,000 options to 3,70,000 options; and ii) alteration of certain other existing clauses of the scheme; and the in-principle approval for the increase in existing pool size was received on October 21, 2022 from BSE and NSE;



ANNEXURE 2 (Contd.)

6. MHL-RSU Plan, 2020 has been extended to the eligible employees of the Subsidiary(ies) and/or Associate Company(ies) with the approvals of the Nomination and Remuneration Committee of the Board of Directors and Board of Directors at its meeting held on July 16, 2022 and July 18, 2022, respectively and Special Resolution passed by the members at the 22nd Annual General Meeting held on August 17, 2022; and

7. the Board of Directors of Company at their Meeting held on February 10, 2023 declared an interim dividend of Rs. 8/- per equity share (face value Rs. 2/-) for the financial year 2022-23 aggregating to Rs. 40,96,85,312/-.

This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Place: Mumbai
Date: May 16, 2023
UDIN: F006252E000306519

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

ANNEXURE 2 (Contd.)

'Annexure A'

To,
The Members,
Metropolis Healthcare Limited
Mumbai

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Place: Mumbai
Date: May 16, 2023
UDIN: F006252E000306519

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

ANNEXURE 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company

Giving back to the society is embedded in the value system of Metropolis and we believe and aim to bring about a positive change in the nation. For the past 3 decades, Metropolis has been at the forefront in conducting impactful camps and driving numerous workshops for different sections of the Society. As an integral part of our commitment to Good Corporate Citizenship, we at Metropolis Healthcare Limited, believe in actively assisting in improvement of the quality of life of people in our communities. We believe that we not only exist for doing good business but also for ensuring the betterment of the society.

We actively contribute to ensure that the people living in local areas around our business operations lead a good quality life. Towards achieving long-term stakeholder value, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and the marginalized. Further it is a goal of the Company to uplift the quality of life and well-being of people.

The CSR Policy ('the Policy') of the Company as approved by the Board is available on the Company's website. The Company's CSR is in alignment with the initiatives undertaken by it. The foundation set up by the Committee is empowering & developing young girls who are below poverty line and providing reproductive health education to the masses. Also, various skills are being provided for financial independence and imparting knowledge and training to the underprivileged.

For details of the CSR Policy along with projects and programs, kindly refer to the following weblink: https://www.metropolisindia.com/newdata/Investors/CSR/MHLRevised+CSR+policy_wef+May+27-2021.pdf

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Anita Ramachandran (Chairperson)	Non-Executive Independent Director	3	3
2.	Ms. Ameera Shah (Member)	Managing Director	3	3
3.	Ms. Milind Sarwate (Member)	Non-Executive Independent Director	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

The details of the constitution of the CSR Committee, the CSR Policy and the CSR projects approved by the Board of Directors is disclosed on the Company's website and can be accessed at <https://www.metropolisindia.com/investors>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company is not required to carry out the Impact Assessment as required as per sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

5. (a) Average net profit of the Company as per Section 135(5) for spending during the Financial Year 2022-23.

The average Net profit of the Company as per Section 135 (3) for the Financial Year 2022-2023 was Rs. 256,81,73,035

(b) Two % of average net profit of the Company as per Section 135(5) for spending during the Financial Year 2022-23.

Two % of average net profit of the Company as per Section 135 (5) for the Financial Year 2022-23 is Rs. 5,13,63,600

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

Not Applicable

(d) Amount required to be set off for the financial year, if any.

Not Applicable

(e) Total CSR obligation for the Financial Year (7b+7c-7d).

The Total CSR Obligation for the Financial Year 2022-2023 was Rs. 5,13,63,600

ANNEXURE 3 (Contd.)
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).
(i) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
1	DSEU	Promoting education	yes	New Delhi	New Delhi	3 years	1,61,22,081	54,00,000	NA	Direct	NA	NA

(ii) Details of CSR amount spent against other than ongoing projects for the financial year.

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1	MedEngage	Promoting Education	yes	Pan India	Pan India	2,22,52,644	Direct	-	-
2	Too Shy to Ask	Promoting Health awareness	yes	Pan India	Pan India	2,15,56,223	Implementational agency	-	CSR00005533
3	Other projects	Promoting Health awareness	yes	Maharashtra	Maharashtra	61,36,606	Direct	-	-

(b) Amount spent in Administrative Overheads – Rs. 14,37,637
(c) Amount spent on Impact Assessment, if applicable - Not Applicable
(d) Total amount spent for the Financial Year 2022-23 (6a+6b+6c)

The total amount spent for the Financial Year 2022-23 was Rs. 5,13,83,110

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount (in Rs.) transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5,13,83,110	NIL	NIL	NIL	NIL	NIL

(f) Excess amount for set off, if any – Not Applicable

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	
(ii)	Total amount spent for the Financial Year (22-23)	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

ANNEXURE 3 (Contd.)

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency, if any
					Name of the Fund	Amount (in Rs.)	Date of transfer		
1.	2021-22	-	-	-	-	-	-	-	-
2.	2020-21	1,61,22,081	1,05,10,230	194,02,061					
3.	2019-20*	-		76,97,212					
	Total								

*For financial year 2019-20, the Company has transferred the unspent amount of 1,69,11,386/- to WE Foundation to specifically spend the funds donated by the Company on activities to combat the COVID-19 pandemic.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
1.		DSEU	2021-22	1,61,22,081	54,00,000	56,11,851	Ongoing
	Total						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable.

9. Specify the reason(s), if the Company has failed to spend two % of the average Net Profit as per section 135(5): NIL

Sd/-

Ameera Shah

Managing Director and Member of CSR Committee

DIN: 00208095

Place: Mumbai

Date: May 16, 2023

Sd/-

Anita Ramachandran

Chairperson of CSR Committee

DIN: 00118188

Place: Mumbai

Date: May 16, 2023

ANNEXURE 4

DETAILS OF EMPLOYEE STOCK OPTION SCHEME

Disclosure pursuant to Regulation 14 of Securities and Exchange Board of India
(Share Based Employee Benefits) Regulations, 2014 as on March 31, 2023

DESCRIPTION OF ESOP SCHEMES:

The Company views Employee Stock Options as instruments that would enable the Employees to share the value they would create and contribute to the Company in the years to come.

The Company has framed and implemented the Metropolis Employee Stock Option Scheme 2015 ("MESOS 2015") as well as Metropolis – Restricted Stock Unit Plan – 2020 ("RSU 2020") for eligible employees. In terms of the said schemes, options to the employees have vest and shall continue to vest as given in the below table under point no. C.

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time.

The disclosures are provided in the Note No. 48 to the Financial Statements of the Company for the year ended March 31, 2023.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations, in accordance with 'Indian Accounting Standard 33 – Earnings per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

27.05

C. Details related to ESOP / RSU:

Sr. No.	Particulars	MESOS 2015	RSU 2020
(i)	Description of each ESOP /RSU that existed during the year, including the general terms and conditions:		
1	Date of Shareholders' approval	<ul style="list-style-type: none"> ● March 28, 2015 ● September 18, 2017 ● February 28, 2018 ● September 10, 2018 ● September 14, 2018 	<ul style="list-style-type: none"> ● April 06, 2020 ● August 17, 2022
2	Total number of options / units approved under ESOP / RSU	12,21,324 [#] options convertible into equivalent no. of equity shares.	3,70,000 Units convertible into equivalent no. of equity shares.
3	Vesting requirement	<p>i) Options granted to Existing employees (person who is in continuous employment with the Company since January 01, 2016 or prior thereto) shall vest as below:</p> <p>a) 50% - on January 01, 2018;</p> <p>b) 25% -on January 01, 2019 and;</p> <p>c) 25% on January 01, 2020.</p> <p>ii) Options granted to New employees (person who is in continuous employment with the Company after January 01, 2016) shall vest as below:</p> <p>a) 50% of grant on completion of 2 years from date of joining;</p>	<p>i) 15% at the end of Year 1 of the grant</p> <p>ii) 20% at the end of Year 2 of the grant</p> <p>iii) 25% at the end of Year 3 of the grant</p> <p>iv) 40% at the end of Year 4 of the grant</p> <p>However, the above is subject to the attainment of the performance of the individual as well as the Company as defined in the MHL RSU Plan 2020.</p>



ANNEXURE 4 (Contd.)

Sr. No.	Particulars	MESOS 2015	RSU 2020
		b) 25% of grant on completion of 3 years from date of joining; and c) 25% of grant on completion of 4 years from date of joining.	
4	Exercise price or pricing formula	Rs. 705.77 per option [#]	As the Nomination and Remuneration Committee may decide at the time of each grant.
5	Maximum term of options / units granted (Years)	The exercising period will commence from the date of vesting to the Grantee. Accordingly, the maximum term of Options will be 4 (four) years from the date of vesting.	The exercising period will commence from the date of vesting to the Grantee. Accordingly, the maximum term of Units will be 5 years from the date of vesting.
6	Source of shares	Primary	Primary
7	Variation in terms of options / units	There was no variation in terms of Options outstanding during 2022-23.	The shareholders vide resolution dated August 17, 2022 had approved increase in RSU pool by 1,00,000. Further, various alterations are made in the terms & conditions of RSU including Power of Administrator, Vesting Schedule, Lock-In period, Transferability of Awards etc.
(ii)	Method used to account for ESOP / RSU:	Fair value	Fair Value
(iii)	Has the Company has opted for expensing of the options using the Fair Value of the Options: Yes		
1	Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value	N.A.	N.A.
2	The impact of this difference on profits and on EPS of the Company	N.A.	N.A.
(iv)	Movement during the year.		
1	No. of options / units outstanding at the beginning of the period	5,000	2,42,594
2	No. of options / units granted during the year	-	1,02,650
3	No. of options / units forfeited/ lapsed during the year	-	1,68,528
4	No. of options / units vested during the year	2,500	35,249
5	No. of options / units exercised during the year	2,500	36,045
6	No. of shares arising as a result of exercise of options / units	2,500	36,045

ANNEXURE 4 (Contd.)

Sr. No.	Particulars	MESOS 2015	RSU 2020
7	Money realized by exercise of options / units (Rs.). If scheme is implemented directly by the Company	Rs.17,64,425/-	Rs. 72,090
8	Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.
9	No. of options / units outstanding at the end of the year	2,500	1,40,671
10	No. of options / units exercisable at the end of the year	2,500	646
(v)	Weighted-average exercise prices ("WAEP") and weighted-average fair values("WAFV") of Options / Units		
1	Where the exercise price is less than the market price of the stock	Weighted Average exercise price is Rs. 705.77 & Weighted Average fair value is Rs. 1,174.34	Weighted Average exercise price is Rs. 2 & Weighted Average fair value is Rs. 1,424.57
2	Where the exercise price equals the market price of the stock	N.A.	N.A.
3	Where the exercise price is more than the market price of the stock	N.A.	N.A.
(vi)	Employee wise details (name of employee, designation, number of Options / Units granted during the year, exercise price) of Options / Units		
1	Senior Managerial Personnel	N.A.	Refer table below
2	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year		Refer table below
3	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.		N.A.
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:		
1	Weighted-average Values of share price	As provided in notes to accounts no. 48	As provided in notes to accounts no. 48
	Exercise price		
	Expected volatility		
	Expected option life		
	Expected dividends		
	The risk-free interest rate		
	Any other inputs to the model		
2	The method used and the assumptions made to incorporate the effects of expected early exercise;	As provided in notes to accounts no 48.	As provided in notes to accounts no. 48



ANNEXURE 4 (Contd.)

Sr. No.	Particulars	MESOS 2015	RSU 2020
3	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	As provided in notes to accounts no. 48	As provided in notes to accounts no. 48
4	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	As provided in notes to accounts no. 48	

#Post bonus and split during the Financial year 2018-2019.

Details of RSUs granted to Senior Management Employees during the year.

Sr. No.	Name	Designation	No. of RSUs granted
1	Ishita Medhekar	Chief Human Resource Officer	5,000
2	Alangadan Kannan	Chief Operating Officer	9,000
3	Rakesh Kumar Agarwal	Chief Financial Officer	6,500
4	Puneet Kumar Nigam	Chief Scientific Officer	3,000
5	Kirti Z Kazi	Chief Quality Officer	4,000
6	Sriram Srinivasan Iyer	Chief Revenue Officer	31,800
7	Abdur Razzaque	Head- IT	2000
8	Avadhut Joshi	CEO (International)	3000

Details of RSUs granted to employees amounting to 5% or more of RSUs granted during the year.

1. Mr. Alangadan Kannan
2. Mr. Rakesh Agarwal
3. Mr. Sriram Iyer

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

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place: Mumbai

Date: May 16, 2023

ANNEXURE 5

DISCLOSURES REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. The percentage increase in the median remuneration of employees during the Financial Year:

Median remuneration of employees of the Company as at the end of the year under review was Rs. 2,55,103 which decreased by 6.23% over the previous year's median remuneration of Rs. 2,72,044.

2. The ratio of the remuneration of each Director to the median remuneration of employees for the Financial Year 2022-23; and

3. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the Financial Year 2022-23:

(Amount in Rs)

Sr. No	Name	Designation	Remuneration for the financial year 2022-23	Percentage increase/ (decrease) in remuneration in the financial Year 2022-23 (%)	Ratio to median remuneration (in times)
Non-Executive Directors*					
1	Mr. Milind Sarwate	Independent Director			
2	Mr. Vivek Gambhir	Independent Director			
3	Mr. Sanjay Bhatnagar	Independent Director			
4	Ms. Anita Ramachandran	Independent Director			
5	Mr. Hemant Sachdev	Non Independent Director			
Executive Directors					
6	Dr. Sushil Kanubhai Shah	Chairman and Executive Director	1,80,00,000	0%	75
7	Mr. Ameera Shah	Managing Director	5,16,50,004	0%	189
Key Managerial Personnel					
8	Mr. Vijender Singh	Chief Executive Officer	3,14,46,124	0%	43
9	Mr. Rakesh Kumar Agarwal	Chief Financial Officer	1,73,76,026	30%	47
10	Ms. Simmi Singh Bisht [#]	Head - Legal and Secretarial	41,72,502	5%	13
11	Mr. Surendran Chemmenkotil [#]	Chief Executive Officer	1,30,61,291	0%	40

4. The number of permanent employees on rolls of the Company: 4289.

5. Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. The percentage increase in the gross salaries paid to employees other than the managerial personnel in the last financial year is 28.34% as against an increase of 4.23% in the salary of Managerial Personnel. The increment given to each individual employee is based on the employee's potential, experience and also their performance and contribution to the Company's progress during the year and is benchmarked against similar companies in India.

Note: During the year under review, employees on the payroll of merged subsidiaries & Dr. Ganesan Hitech Diagnostic Centre Private Limited were transferred to Metropolis Healthcare Limited on account of amalgamation & liquidation respectively. Therefore, the percentage increase in the gross salaries paid to employees is higher in comparison to last year.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company.

The Company affirms that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place: Mumbai

Date: May 16, 2023



CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is prepared pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"/ "Listing Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company's philosophy on Corporate Governance is based on a holistic approach not only towards its own growth but also towards maximization of benefits to the shareholders, employees, customers, Government and also the general public at large. Transparency and accountability are the fundamental principles of sound Corporate Governance, which ensures that the organization is managed and monitored in a responsible manner for creating and sharing stakeholder's value.

Your Company is committed to good Corporate Governance and adherence to best practices at all times and its philosophy is based on five basic elements namely, accountability, value creation, strategic-guidance, transparency and equitable treatment to all stakeholders.

2. BOARD OF DIRECTORS:

a) Composition & Category of Directors, attendance of each Director at Board Meetings & General Meeting, No. and date of Board Meetings held, Composition & Category of Directors

The Board consists of a balanced combination of Executive and Non-Executive Directors in accordance with the requirements of the Companies Act, 2013 ("Act"), Regulation 17 of the Listing Regulations and the Articles of Association of the Company.

The Board composition represents an optimal mix of professionalism, knowledge, expertise and experience which enables the Board to discharge its responsibilities efficiently and provide effective leadership to the business.

Brief profile of the Directors is available on the Company's website at <https://www.metropolisindia.com/investors> and also forms part of this Annual Report.

As on March 31, 2023, the Board of the Company comprises of 7 (seven) Directors of which 4 (four) are Non-Executive Independent Directors, 1 (one) is Non-Executive Non-Independent Director & 2 (two) are Executive Directors.

Attendance at Board Meetings & Annual General Meeting

Sr. No	Name of the Directors	Category of Directors	Particulars of attendance for the Board Meetings		Attendance at the last AGM held on August 17, 2022
			Meetings held during the Director's tenure	Board Meetings attended	
1	Dr. Sushil Shah (DIN: 00179918)	Promoter	7	7	Yes
2	Ms. Ameera Shah (DIN: 00208095)	Promoter	7	7	Yes
3	Ms. Anita Ramachandran (DIN: 00118188)	Non-Executive Independent	7	6	Yes
4	Mr. Milind Sarwate (DIN: 00109854)	Non-Executive Independent	7	7	Yes
5	Mr. Vivek Gambhir (DIN: 06527810)	Non-Executive Independent	7	7	Yes
6	Mr. Sanjay Bhatnagar (DIN: 00867848)	Non-Executive Independent	7	4	No
7	Mr. Hemant Sachdev (DIN: 01635195)	Non-Executive - Non - Independent	7	4	Yes

Board Meeting Details

The Board Meeting is conducted at least once in every quarter to discuss the performance of the Company and its Quarterly Financial Results along with other Company Matters. The Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are circulated well in advance to the Board of Directors of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

The Company always ensures that Board Members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under Part A of Schedule II of Regulation 17(7) of the Listing Regulations. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto.

Seven Board Meetings were held during the financial year and the gap between two meetings did not exceed 120 days. The dates of the meetings were as follows:

1. May 24, 2022
2. July 18, 2022
3. August 10, 2022
4. November 08, 2022
5. December 09, 2022
6. February 10, 2023
7. March 31, 2023

b) Number of Shares held by Directors & Relationships between the Directors inter se

Sr. No	Director	DIN	Category	Designation	Relationship with other Directors	Shareholding in the Company
1	Dr. Sushil Shah	00179918	Promoter	Chairman & Executive Director	Father of Ms. Ameera Shah and Father in Law of Mr. Hemant Sachdev	13,17,058
2	Ms. Ameera Shah	00208095	Promoter	Managing Director	Daughter of Dr. Sushil Shah and Wife of Mr. Hemant Sachdev	1,81,845
3	Mr. Milind Sarwate	00109854	Non-Executive Independent	Director	-	-
4	Mr. Vivek Gambhir	06527810	Non-Executive Independent	Director	-	144
5	Mr. Sanjay Bhatnagar	00867848	Non-Executive Independent	Director	-	-
6	Ms. Anita Ramachandran	00118188	Non-Executive Independent	Director	-	-
7	Mr. Hemant Sachdev	01635195	Non-Executive-Non - Independent	Director	Husband of Ms. Ameera Shah and Son in Law of Dr. Sushil Shah	-

c) Directorship/Committee Membership in other Companies

Name of Directors	Category	*No. of Directorship (s) in other Public Companies	No. of Committee Positions in other Public Companies		Name of the listed entities	
			#Chairman	\$Member	Other Directorship	Category
Dr. Sushil Shah (Chairman)	Executive Director (Promoter)	-	-	-	-	-
Ms. Ameera Shah (Managing Director)	Executive Director (Promoter)	02	-	02	Torrent Pharmaceuticals Limited	Independent Director
					ACC Limited	Independent Director



CORPORATE GOVERNANCE REPORT (Contd.)

Name of Directors	Category	*No. of Directorship (s) in other Public Companies	No. of Committee Positions in other Public Companies		Name of the listed entities	
			#Chairman	\$Member	Other Directorship	Category
Mr. Milind Sarwate	Non- Executive Independent Director	09	04	05	Matrimony.com Limited	Independent Director
					Mahindra and Mahindra Financial Services Limited	Independent Director
					Sequent Scientific Limited	Independent Director
					FSN Ecommerce Ventures Limited	Independent Director
					Asian Paints Limited	Independent Director
Mr. Vivek Gambhir	Non- Executive Independent Director	2	-	2	-	-
Mr. Sanjay Bhatnagar	Non- Executive Independent Director	1	-	1	ElH Limited	Independent Director
Ms. Anita Ramachandran	Non- Executive Independent Director	09	02	07	1)Grasim Industries Limited	Independent Director
					2)FSN E- Commerce Ventures Limited	Independent Director
					3)Happiest Minds Technologies Limited	Independent Director
					4)Blue Star Limited	Independent Director
					5)Ujjivan Small Finance Bank Limited	Independent Director
Mr. Hemant Sachdev	Non- Executive Non- Independent Director	1	-	-	-	-

Note:

- The above list of other Directorships includes Public Companies (Listed and Unlisted) but does not include Private Companies, Foreign Companies, Directorship in Metropolis Healthcare Limited, Companies incorporated under Section 8 of the Act and any alternate Directorships.
- Membership in only Audit Committee and Stakeholders Relationship Committee is considered.
- Membership and Chairmanship in a Committee are counted only once i.e. if a Director is a Chairman in a Committee, he/she is not counted as Member separately.
- Pursuant to the provisions of Section 165 of the Act, none of the Directors hold directorships in more than 20 (twenty) Companies (including limit of maximum directorship in 10 Public Companies and 7 Listed Companies).
- Pursuant to the provisions of Regulation 26 of the Listing Regulations, none of the Directors are Members of more than 10 (ten) Committees or hold Chairmanship of more than 5 (five) committees across all listed or unlisted Public Limited Companies in which they are Directors.

CORPORATE GOVERNANCE REPORT (Contd.)

- None of the Independent Directors serve as Independent Directors in more than 7 (seven) Listed Companies.
- The necessary disclosures regarding their Directorship & Committee positions have been made by the Directors.
- None of the Directors who serve as Whole-time Director / Managing Director in any listed entity serves as an Independent Director in more than 3 (three) listed entities.

Independent Director and Familiarization Program:

- All Independent Directors are Non-Executive Directors as defined under Regulation 16(1) (b) of the SEBI Regulations read with Section 149(6) of the Act.
- All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) and 25(8) of the SEBI Regulations read with Section 149(6) of the Act.
- At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions.
- At Board and Committee Meetings, the Independent Directors are regularly familiarized on the business model, strategies, operations, functions, policies and procedures of the Company and its subsidiaries.

- All Directors attend the familiarization programs as these are scheduled to coincide with the Board Meetings.
- The Familiarization Policy is hosted on the website of the Company and can be accessed through the following weblink:
<https://www.metropolisindia.com/newdata/Investors/code-of-conduct/Summary%20of%20familiarization%20programs%20imparted%20to%20Independent%20Directors.pdf>
- Pursuant to Schedule IV of the Act and Regulation 25(3) of the Listing Regulations, separate Meeting of Independent Directors of the Company was held on **February 04, 2023**. All the Independent Directors attended the Meeting. The agenda was to review the performance of Non-Independent Directors including the Chairman, the entire Board and Committees thereof, quality, quantity and timeliness of the flow of information between the Management and the Board.
- Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the Management.
- No Independent Director resigned before the expiry of his/her tenure during this financial year.

d) Matrix of Skills / Expertise/ Competencies of the Board of Directors

The Board of the Company comprises of qualified Members with the required skills, competence, and expertise for effective contribution to the Board and its Committee. The Board Members are committed to ensuring that the Company is in compliance with the highest standards of Corporate Governance.

The table below summarizes the list of the specific areas of expertise of individual Director against each skill/ expertise/ competence identified by the Board of Directors for effectively conducting the business of the Company.:

Core skills/ expertise/ Competencies	Name of Directors
Healthcare Understanding the complexities of the healthcare sector and expertise in the field of diagnostics.	Dr. Sushil Kanubhai Shah Ms. Ameera Sushil Shah
Finance, Accountancy & Audit In-depth knowledge in the field of accounts and ability to read, understand and analyze the financial statements, financial controls, risk management and other business projections.	Mr. Milind Sarawate Ms. Ameera Sushil Shah Mr. Sanjay Bhatnagar Mr. Vivek Gambhir

CORPORATE GOVERNANCE REPORT (Contd.)

Core skills/ expertise/ Competencies	Name of Directors
Law Experience in understanding the dynamics of the legal and regulatory aspect at a global level.	Ms. Ameera Shah Mr. Milind Sarawate Mr. Sanjay Bhatnagar Mr. Vivek Gambhir Ms. Anita Ramachandran Mr. Hemant Sachdev
Information Technology Providing support and guidance in relation to information technology up gradation of the organization as a whole.	Ms. Ameera Shah Mr. Sanjay Bhatnagar Mr. Vivek Gambhir Mr. Hemant Sachdev
Risk Management Experience in mitigation of risk by actively getting involved in the risk management of the organization.	Ms. Ameera Shah Mr. Sanjay Bhatnagar Mr. Milind Sarwate Mr. Vivek Gambhir
Strategy & Marketing Exposure in managing the sales and marketing needs of the sector adequately.	Ms. Ameera Shah Mr. Sanjay Bhatnagar Mr. Milind Sarwate Mr. Vivek Gambhir Ms. Anita Ramachandran

3. COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with the requirements of the Act and the Listing Regulations, the Board of Directors have constituted various Committees. These Committees are entrusted with such powers and functions as detailed in its respective terms of reference. Besides, the Committees help focus attention on specific matters of the organization. There are total 5 (five) Committees as on March 31, 2023.

Committees as mandated under the Act and the Listing Regulations are:

1. Audit Committee;
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Risk Management Committee.

A. AUDIT COMMITTEE:

The Audit Committee of the Company is duly constituted as per Regulation 18 of the Listing Regulations, read with the provisions of Section 177 of the Act. All the Members of the Audit Committee are financially literate and capable of analyzing Financial Statements of the Company.

Mr. Milind Sarwate is the Chairman of the Audit Committee. The Statutory Auditors are invited to Audit Committee Meetings. The Committee Members invite the Internal Auditor or any other

concerned officer of the Company in the Meetings, whenever required on case-to-case basis.

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process.

The Company Secretary acts as the Secretary of the Audit Committee.

Terms of Reference of Audit Committee are as follows:

The terms of reference of the Audit Committee, inter alia, includes the following functions:

1. Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment of statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

CORPORATE GOVERNANCE REPORT (Contd.)

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board of Director for approval;
 6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modifications of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Monitoring the end use of funds raised through public offers and related matters;
 13. Reviewing with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
 14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 15. Discussion with the internal auditors on any significant findings and follow up there on;
 16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 17. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 19. To review the functioning of the whistle blower mechanism;
 20. Approving the appointment of the Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
 21. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority; and
 22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crs or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

CORPORATE GOVERNANCE REPORT (Contd.)

23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
24. Review of (1) management discussion and analysis of financial condition and results of operations; (2) management letters/letters of internal control weaknesses issued by the statutory auditors; (3) internal audit reports relating to internal control weaknesses; (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; (5) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/

notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Composition and Attendance of the Members of the Audit Committee

During the financial year under review, 6 (six) Audit Committee Meetings were held, as detailed below:

- a. May 24, 2022
- b. July 18, 2022
- c. August 10, 2022
- d. November 08, 2022
- e. February 10, 2023
- f. March 31, 2023.

Mr. Milind Sarwate, Chairman of the Audit Committee attended the Annual General Meeting held during the Financial Year 2022-23 i.e. August 17, 2022. The Board accepted all recommendations made by the Audit Committee.

The details of composition of Audit Committee and attendance of each Committee Member are as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Milind Shripad Sarwate	Chairman	6	6
Mr. Vivek Gambhir	Member	6	5
Mr. Sanjay Bhatnagar	Member	6	3
Ms. Anita Ramachandran*	Member	-	-

*Ms. Anita Ramachandran was appointed as a Member of the Audit Committee w.e.f. April 01, 2023.

B. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Listing Regulations read with the provisions of Section 178 of the Act. The Nomination and Remuneration Committee recommends the appointment of Directors and carries out evaluation of performance of individual Directors. Besides, it recommends remuneration policy for Directors, Key Managerial Personnel and the Senior Management of the Company.

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the board of Directors a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.

CORPORATE GOVERNANCE REPORT (Contd.)

3. Formulating of criteria for evaluation of the performance of the independent Directors and the board of Directors;
4. Devising a policy on diversity of board of Directors;
5. Identifying persons who qualify to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the board of Directors their appointment and removal, and carrying out evaluations of every Director's performance.
6. Determining whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors;
7. Analyzing, monitoring and reviewing various human resource and compensation matters;
8. Determining the Company's policy on remuneration and any compensation payment, for the chief executive officer, the executive Directors, key managerial personnel including pension rights and determination of remuneration packages of such personnel;
9. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component and in accordance with the remuneration policy approved by the board of Directors;
10. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
11. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
12. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003
13. Performing such other activities as may be delegated by the board of directors and/or specified/provided under the Companies Act, 2013 together with the rules framed thereunder, as amended and to the extent notified, or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or by any other regulatory authority.
14. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Nomination & Remuneration Committee Meetings

During the financial year under review, 7 (seven) Meetings of the Nomination and Remuneration Committee were held as detailed below

1. May 24, 2022
2. July 16, 2022
3. August 10, 2022
4. November 08, 2022
5. December 08, 2022
6. February 08, 2023
7. March 31, 2023.

The Board accepted all recommendations made by the Nomination and Remuneration Committee.

The details of Composition of Nomination and Remuneration Committee and attendance of meetings by each of the Committee Member is as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No. of attended meetings by the Member
Mrs. Anita Ramachandran	Chairperson	7	7
Mr. Vivek Gambhir	Member	7	7
Mr. Sanjay Bhatnagar	Member	7	7

The Company Secretary of the Company acts as a Secretary to the Committee.

CORPORATE GOVERNANCE REPORT (Contd.)

Performance Evaluation Criteria for Independent Directors

The Board of Directors of the Company carried out an annual evaluation of the performance of Committees of the Board and individual Directors pursuant to the provisions of the Act and the Listing Regulations. The performance evaluation is conducted through structured questionnaires that cover various aspects such as the Board composition and structure, effectiveness and contribution to Board processes, adequacy, appropriateness and timeliness of the information, and the overall functioning of the Board etc. The responses of the Individual Directors to the questionnaire on the performance of the Board, Committee(s), Directors and Chairman, were analyzed. The Directors were satisfied with the evaluation process and the performance of the Board.

In compliance with Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Board of Directors have formulated criteria for the evaluation of the Company's Independent Directors' performance. The performance evaluation of Independent Directors is carried out on the basis of their role and responsibilities, effective participation in the Board and Committee meetings, expertise, skills and exercise of independent judgment in major decisions of the Company.

REMUNERATION TO DIRECTORS

Remuneration to Non-Executive/Independent Director

Sitting Fees

The Non-Executive Directors are entitled to Sitting Fees for attending the Meetings of the Board of Directors and Committees thereof. Sitting fees paid to Non-Executive Directors are within the prescribed limits under the Act and as determined by the Board of Directors from time to time.

Commission

The shareholders of the Company at their Annual General Meeting held on September 10, 2018 approved payment to Independent Directors of the

Company on annual basis, by way of commission, the aggregate of which shall not exceed one percent of the net profits of the Company per annum computed in the manner prescribed under Section 198 of the Companies Act, 2013, in such amount and proportion and in such manner as may be determined by the Board of Directors from time to time, in addition to the Sitting Fees as determined by the Board of Directors from time to time.

Reimbursement of expenses

The Non-Executive Directors are also entitled to reimbursement of expenses for participation in the Board and other Meetings in terms of the Companies Act, 2013.

The details of Sitting Fees & Commission paid during the year are as under:

Amount (in Rs)		
Names of Non-Executive Directors	Sitting Fees	Commission
Mr. Vivek Gambhir	11,90,000	--
Mr. Milind Sarwate	10,55,000	7,50,000
Mr. Sanjay Bhatnagar	7,65,000	--
Ms. Anita Ramachandran	8,50,000	3,00,000
Mr. Hemant Sachdev	--	--

During the financial year under review, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors apart from Sitting Fees & Commission. The Company has not granted any stock options to any of its Non-Executive Directors.

Remuneration to Executive Directors, Key Managerial Personnel and Senior Management:

The Company has paid remuneration to its Managing Director and Whole-time Director, by way of salary and perquisites, within the limits stipulated under the Act and as per the approval sought from the shareholders of the Company.

Details of the remuneration paid to the Executive Directors and KMP of the Company during the financial year under review are as follows:

Rs. (in lakhs)				
Name	Designation	Salary	Company's Contribution to Provident Fund	Gross Remuneration
Dr. Sushil Kanubhai Shah	Whole-time Director	1,80,00,000		1,80,00,000
Ms. Ameera Sushil Shah	Managing Director	5,00,00,004	24,00,000	4,81,60,008
Mr. Vijender Singh*	Chief Executive Officer	93,62,500	4,49,400	1,10,82,562
Mr. Rakesh Kumar Agarwal	Chief Financial Officer	1,32,00,003	6,33,600	1,53,61,693
Mrs. Simmi Singh Bisht**	Head - Legal and Secretarial	41,72,502	1,98,844	30,87,671
Mr. Surendran Chemmenkotil#	Chief Executive Officer	1,25,00,001	5,93,548	1,02,42,566

*Mr. Vijender Singh resigned from the post of Chief Executive Officer w.e.f 17/08/22

**Mrs. Simmi Singh Bisht resigned from the post of Head - Legal and Secretarial w.e.f 07/01/2023

#Mr. Surendran Chemmenkotil was appointed as Chief Executive Officer w.e.f 02/01/2023

CORPORATE GOVERNANCE REPORT (Contd.)

Remark: Gross remuneration is exclusive of Company's Contribution to Provident Fund.

The performance criteria of the above-mentioned Directors and KMP are laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

The Company has a Nomination & Remuneration Policy for determining the remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. There was no change in the Policy during the financial year under review.

The term of the Executive Directors & Independent Directors is for a period of 5 years from the respective dates of appointment.

The Company does not have any service contract with any of the Directors.

Service Contracts, Severance Fees and Notice Period

The appointment and remuneration of the Executive Director, Whole-time Director and Managing Director is subject to the provisions of the Act and the resolution passed by the Board of Directors and Members of the Company which cover the terms and conditions of such appointment. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Chairman and Whole-time Director, and Managing Director.

Employee Stock Options

The Company has Metropolis Employee Stock Option Scheme 2015 (MESOS – 2015). The details of "Metropolis Employee Stock Option Scheme 2015 (MESOS- 2015)" including the number of outstanding options are given in the "Annexure 4" of the Board Report.

Metropolis–Restrictive Stock Unit Plan, 2020

The Members of the Company have approved the Metropolis–Restrictive Stock Unit Plan, 2020 ("Metropolis RSU Plan") for the employees of the Company and its subsidiaries (if any) on April 06, 2020 through a Postal Ballot. Further, the amendment(s) to the Metropolis RSU Plan was approved in the Annual General Meeting held for the FY 2021-22. The details of Metropolis RSU Plan including the number of options granted are given in the "Annexure 4" of the Board Report.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

Terms of Reference

The terms of reference of Stakeholders' Relationship Committee, inter alia, includes the following:

1. Considering and resolving grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of Annual Report and non-receipt of declared dividends, general meetings etc.
2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
3. To review the measures taken for effective exercise of voting rights by shareholders.
4. To review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
5. Issuing duplicate certificates and new certificates on split/consolidation/renewal
6. Carrying out any other function as may be decided by the board of directors or prescribed under the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or by any other regulatory authority.
7. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Stakeholders Relationship Committee Meetings

During the year under review, one meeting of the Stakeholders Relationship Committee was held on May 24, 2022. Mr. Vivek Gambhir, Chairman of the Stakeholders' Relationship committee attended the AGM held during the FY 2022-23 i.e. August 17, 2022. The Company Secretary of the Company acts as a Secretary to the Committee.



CORPORATE GOVERNANCE REPORT (Contd.)

The composition and attendance of each Member is as follows:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No of meetings attended by the Member
Mr. Vivek Gambhir	Chairman	1	1
Ms. Ameera Sushil Shah	Member	1	1
Dr. Sushil Kanubhai Shah	Member	1	1

The details of investor complaints received / redressed during the financial year 2022-23 is as under:

Complaints as on April 01, 2022	Received the year during	Resolved the year during	Pending as on March 31, 2023
0	2	2	0

Name, Designation and address of Compliance Officer

Ms. Neha Shah

Interim Compliance Officer

250-D, Udyog Bhavan, Hind Cycle Marg, Worli,

Mumbai- 400030

Tel. No.: 91-22-6258 2810

Fax No.: NA

Email: secretarial@metropolisindia.com/investor.relations@metropolisindia.com

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility (CSR) Committee of the Board was constituted in compliance with the provisions of Section 135 of the Companies Act, 2013. The Company is focused on stakeholder value creation, especially for the shareholders and local communities by contributing to the social and environmental needs. The Board accepted all recommendations made by the Corporate Social Responsibility Committee during the during the year under review.

Terms of Reference

The terms of reference of the Corporate Social Responsibility (CSR) Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To review the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Corporate Social Responsibility Committee Meetings

During the year under review, three meetings of the Corporate Social Responsibility Committee were held as detailed below

- May 24, 2022
- November 04, 2022
- February 08, 2023.

The Composition of the Corporate Social Responsibility Committee as on March 31, 2023 and the details of Members' participation at the Meetings of the Committee are as under:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No of meetings attended by the Member
Mrs. Anita Ramachandran	Chairperson	3	3
Ms. Ameera Sushil Shah	Member	3	3
Mr. Milind Shripad Sarwate	Member	3	3

CORPORATE GOVERNANCE REPORT (Contd.)

E. RISK MANAGEMENT COMMITTEE (RMC):

The Risk Management Committee of the Board was constituted in compliance with the provision of Regulation 21 of the Listing Regulations.

Terms of Reference

The terms of reference of the Risk Management Committee, inter alia, includes the following:

- Oversee and guide in developing a structured/defined framework for identifying and assessing and reporting of both existing and new risks associated with the Company so as to facilitate timely and effective management of risks and opportunities for achieving the Company's objectives;
- Periodic review of Risk Management Framework ('the Framework') comprising of policies, procedures and practices of the Company and to assess the effectiveness of the same and initiate corrective actions wherever required including any change that may be required to the framework in the light of various external and internal factors (whether political, sociological or technical or other) which will have impact on the business of the Company;
- Adopt and review periodically best business practices and policies;
- Review and monitor compliance with the regulatory framework and the statutory requirements;
- Set/define standardized approach for minimization and mitigation of identified risks;
- Review and guide the senior management from time to time in setting up a work culture which would encourage staff/team of the Company at all levels to identify risks and opportunities and respond them effectively;
- Review reports on any material breaches of risk limits/parameters and the adequacy of the proposed action;
- Before a decision to proceed is taken by the board, advise the board on proposed strategic transactions including acquisitions or disposals, ensuring that a due diligence appraisal of the proposition is undertaken, focusing in particular on risk aspects and implications for the risk appetite and tolerance of the Company, and taking independent external advice where appropriate and available;

Composition and Attendance of the members of the Risk Management Committee

The Risk Management Committee was constituted in compliance with the applicable provisions of Listing Regulations. During the year under review, two meetings of Risk Management Committee of the Company were held on August 09, 2022 and February 03, 2023.

The Composition and attendance of each Committee Member is as under:

Name of the Members	Designation in the Committee	Particulars of attendance	
		No. of meetings held during the Member's tenure	No of meetings attended by the Member
Ms. Ameera Sushil Shah	Chairperson	2	2
Mr. Milind Sarwate	Member	2	2
Mr. Vijender Singh *	Member	1	0
Mr. Rakesh Agarwal *	Member	1	1
Mr. Surendran C.**	Member	Not applicable	Not applicable

*Mr. Vijender Singh resigned and Mr. Rakesh Agarwal was appointed as Member of the Committee w.e.f August 10, 2022

**Mr. Rakesh Agarwal resigned and Mr. Surendran C. was appointed as member of the Committee w.e.f April 01, 2023



CORPORATE GOVERNANCE REPORT (Contd.)

4. GENERAL BODY MEETINGS

The details of Annual General Meetings convened during the last three years are as follows:

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
Date	September 16, 2020	August 11, 2021	August 17, 2022
Time	9:00 A.M.	9:30 A.M.	9.30 A.M.
Venue	Video Conferencing /Other Audio Visual Means	Video Conferencing /Other Audio-Visual Means	Video Conferencing /Other Audio-Visual Means
Special Resolutions	Approval for reappointment of Dr. Sushil Shah (DIN: 00179918), as Whole Time Director of the Company	Approval for re- appointment of Ms. Ameera Shah (DIN: 00208095) as Managing Director of the Company.	1. Approval for amendments to Metropolis–Restrictive Stock Unit Plan, 2020 ('MHL-RSU Plan, 2020'): 2. Approval for Extension of the Metropolis-Restrictive Stock Unit Plan, 2020 to the Eligible Employees of the Subsidiary(ies) and/or Associate Company(ies), if any, of the Company.

5. MEANS OF COMMUNICATION

Financial Results	<p>The Company communicates to the Stock Exchanges about the annual, half yearly and quarterly financial results within 30 minutes from the conclusion of the Board Meeting in which the same is approved.</p> <p>The results are usually published in (Financial Express/Free Press Journal) English newspaper having country-wide circulation and in (Loksatta/Navshakti) Marathi newspaper where the registered office of the Company is situated.</p> <p>These results are also placed on the Company's website at http:// www.metropolisindia.com</p>
Annual Report	<p>Annual Report containing inter alia Audited Financial Statements, Consolidated Financial Statements, Board's Report, Auditor's Report, and other important information are sent to the shareholders and others entitled thereto.</p> <p>The Management's Discussion and Analysis Report forms part of the Annual Report.</p> <p>The Annual Report is displayed on the Company's website at www.metropolisindia.com.</p>
Communication to shareholders on Email	<p>As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, ECS advices for dividends, etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA), which helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.</p>
Website	<p>All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and Act are being posted on Company's website at www.metropolisindia.com</p> <p>The official news releases and presentations to the institutional investors or analysts, if made any, are disseminated to the Stock Exchange at www.nseindia.com and www.bseindia.com and the same is also uploaded on the website of the Company at www.metropolisindia.com</p>
Designated E- mail address for investor services	<p>The Company has organized investor conference call to discuss its Financial Results, where investor queries were answered by the Executive Management of the Company. The transcript of the conference call is posted on the website of the Company at www.metropolisindia.com. To serve the investors better and as required under Listing regulations, the designated e-mail address for investors complaints is investor.relations@metropolis.com</p>

CORPORATE GOVERNANCE REPORT (Contd.)

SEBI Complaints Redress System (SCORES):	<p>The investor complaints are processed in a Centralized web-based complaints redress system. The salient features of this system are:</p> <ol style="list-style-type: none"> 1. Centralized database of all complaints, 2. Online upload of action taken reports(ATRs) by concerned Companies, 3. Online viewing by investors of actions taken on the complaint and its current status.
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6. GENERAL SHAREHOLDER INFORMATION:

The Company is registered with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L73100MH2000PLC192798.

Sr. No	Particulars	Information
a)	AGM date, time and venue	Thursday, August 17, 2023 at 04:30 pm through Video Conferencing
b)	Financial Year	April 01, 2022 to March 31, 2023
c)	Book Closure Date	August 11, 2023 to August 17, 2023
d)	Interim Dividend Payment Date	March 03, 2023
e)	Name and Address of Stock Exchanges where Company's securities are listed and scrip code	<p>National Stock Exchange of India Limited Address: Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol – METROPOLIS</p> <p>BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 542650</p>
f)	Listing fees	The Annual Listing fees for the financial year 2022-23 has been paid to the respective Stock Exchanges.
g)	Share Registrar and Transfer Agents	<p>Link Intime India Private Limited Address: C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India Tel No.: + 91-22-4918 6270 Fax No.: +91-022-49186200 Investor query registration: metropolis.ipo@linktime.co.in</p>
h)	Company Secretary & Compliance officer	Ms. Neha Shah Interim Compliance Officer
i)	Address of Correspondence	250 D, Udyog Bhavan, Worli, Mumbai 400030

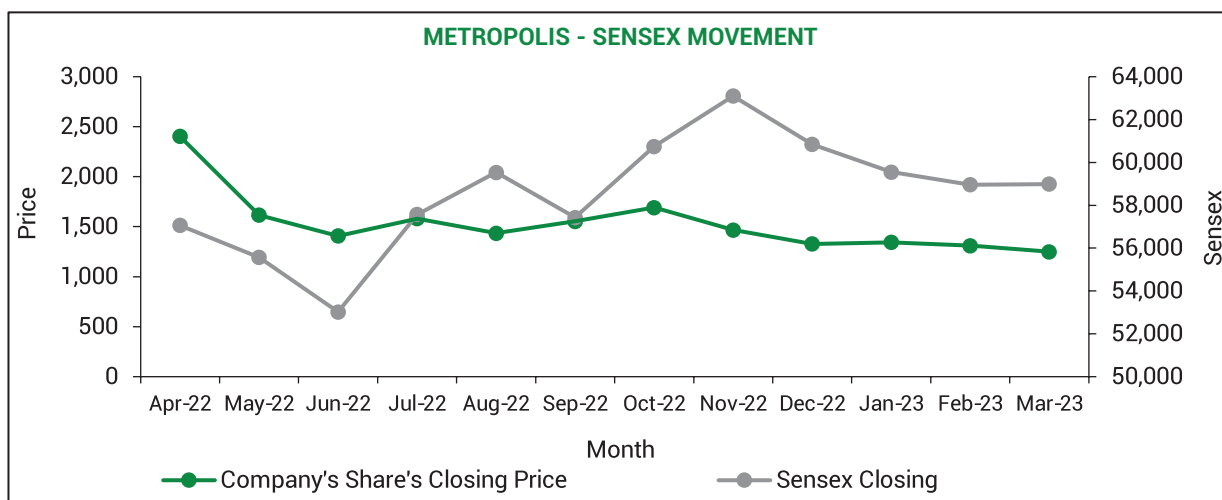
j) MARKET INFORMATION

The high and low prices and volumes of your Company's shares at BSE for the financial year 2022-23 are as under:

Month (FY 2022-23)	BSE		Sensex		No. of Shares Transacted
	High	Low	High	Low	
April, 2022	2,565	2,043	60,845	56,009	2,27,527
May, 2022	2,375	1,510	57,184	52,632	2,47,782
June, 2022	1,702	1,378	56,433	50,921	3,04,718
July, 2022	1,588	1,396	57,619	52,094	1,99,066
August, 2022	1,630	1,353	60,411	57,367	2,34,019
September, 2022	1,560	1,318	60,676	56,147	4,26,419
October, 2022	1,700	1,504	60,787	56,683	2,82,559
November, 2022	1,789	1,404	63,303	60,425	2,61,176
December, 2022	1,492	1,268	63,583	59,754	3,77,868
January, 2023	1,395	1,274	61,344	58,699	1,22,133
February, 2023	1,370	1,192	61,682	58,796	1,11,789
March, 2023	1,356	1,176	60,498	57,085	1,00,010



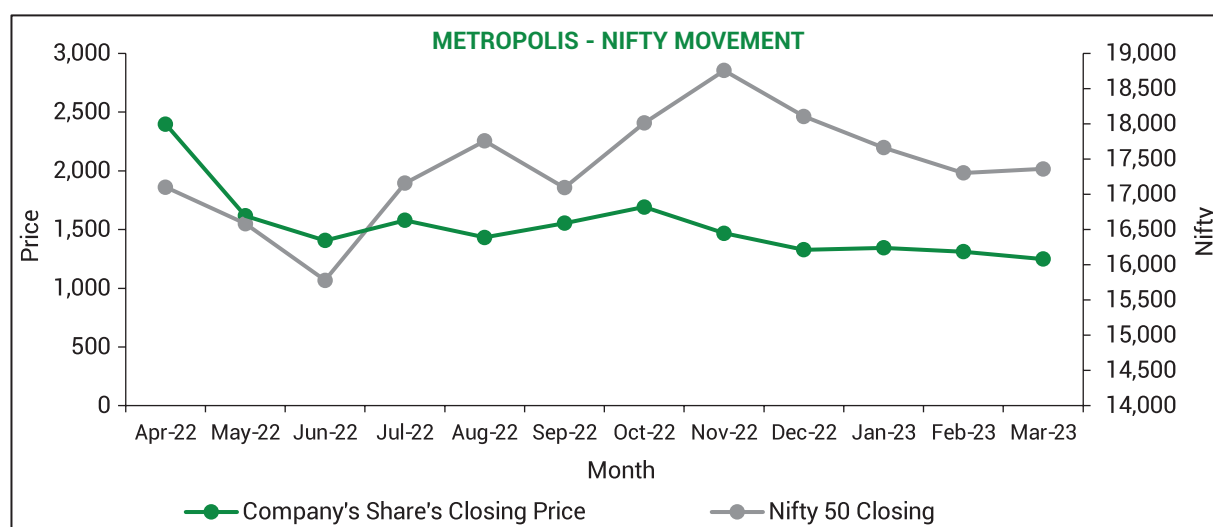
CORPORATE GOVERNANCE REPORT (Contd.)



The high and low prices and volumes of your Company's shares at NSE for the financial year 2022-23 are as under

Month (FY 2022-23)	NSE		Nifty		No. of Shares Transacted
	High	Low	High	Low	
April, 2022	2,570	2,035	18,145	16,825	66,35,364
May, 2022	2,365	1,508	17,133	15,736	81,24,151
June, 2022	1,703	1,378	16,794	15,183	90,51,123
July, 2022	1,590	1,397	17,173	15,511	50,72,478
August, 2022	1,632	1,356	17,992	17,155	51,97,532
September, 2022	1,559	1,318	18,096	16,789	77,08,415
October, 2022	1,699	1,505	17,839	16,855	32,61,042
November, 2022	1,791	1,404	18,678	17,959	65,64,541
December, 2022	1,492	1,267	18,888	17,774	1,02,91,481
January, 2023	1,395	1,273	18,252	17,405	30,34,018
February, 2023	1,372	1,190	18,135	17,299	40,39,830
March, 2023	1,356	1,171	17,800	16,828	31,74,187

*Price movement is based upon monthly higher closing price vs. Nifty monthly Higher Closing



CORPORATE GOVERNANCE REPORT (Contd.)

k) Distribution of shareholding as on March 31, 2023

Range	Holders	% to Total Holders	Holding	Amount (Rs.)	% of issued Capital
1 to 500	86110	98.6448	32,35,584	64,71,168	6.3182
501 to 1000	582	0.6667	4,21,200	8,42,400	0.8225
1001 to 2000	260	0.2978	3,63,929	7,27,858	0.7107
2001 to 3000	74	0.0848	1,77,603	3,55,206	0.3468
3001 to 4000	31	0.0355	1,08,362	2,16,724	0.2116
4001 to 5000	26	0.0298	1,19,021	2,38,042	0.2324
5001 to 10000	54	0.0619	3,99,547	7,99,094	0.7802
10001 & Above	156	0.1787	4,63,85,418	9,27,70,836	90.5777
Total	87,293	100	5,12,10,664	10,24,21,328	100

Shareholding pattern as on March 31, 2023

Sr. No.	Category of Shareholders	No. of Shares	% to Total Holding
A.	Promoters and Promoter Group	2,54,77,991	49.75
B.	Public Shareholding	2,57,32,673	50.25
1.	Mutual Funds	63,41,074	12.38
2.	Alternate Investment Funds	1,63,257	0.32
3.	Insurance Companies	4,80,238	0.94
4.	Foreign Portfolio Investors Category – I	1,12,57,147	21.98
5.	Foreign Portfolio Investors Category – II	18,88,879	3.69
6.	Central Government/President of India	84	0.00
7.	Key Managerial Personnel	3,011	0.01
8.	Resident Individual Holding nominal share capital up to Rs. 2 Lakhs	43,70,189	8.53
9.	Non Resident Indians (NRIs)	2,17,706	0.43
10.	Body Corporate	8,25,816	1.61
11.	Trusts	18,154	0.04
12.	Limited Liability Partnerships	63,494	0.12
13.	Hindu Undivided Family	88,035	0.17
14.	Clearing Members	15,589	0.03
Total		5,12,10,664	100

Top ten equity shareholders of the Company (other than Promoters) as on March 31, 2023:

Sr. No.	Name of the Shareholder	Number of equity shares held of Rs. 2/- each	Percentage of holding
1	J P Morgan Funds	14,49,559	2.8306
2	UTI Flexi Cap Fund	12,95,594	2.5299
3	JP Morgan Indian Investment Trust PLC	7,09,652	1.3858
4	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Flexi Cap Fund	7,09,094	1.3847
5	Grandeur Peak International Stalwarts Fund	6,43,940	1.2574
6	UTI-Mastershare Unit Scheme	6,17,518	1.2058
7	Caisse De Depot Et Placement Du Quebec - First State Investments International Limited	5,87,365	1.147
8	Bright Star Investments Private Limited	5,07,277	0.9906
9	JP Morgan India Fund	4,94,433	0.9655
10	Life Insurance Corporation Of India	4,80,238	0.9378

CORPORATE GOVERNANCE REPORT (Contd.)

l) **Dematerialization of shares and liquidity**

The Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialization of shares and the same are available in electronic segment under Share Capital. All the share stand dematerialized as on March 31, 2023.

The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensures the necessary liquidity to shareholders.

Physical and Dematerialized Shares as on March 31, 2023	Shares	% of Total Issued Capital
No. of Shares held in dematerialized form in CDSL	21,11,772	4.12%
No. of Shares held in dematerialized form in NSDL	49,098,892	95.88%
No. of Physical Shares	0	-
Total	5,12,10,664	100.00

m) **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

As on March 31, 2023, there are no GDR/ ADR/ Warrants or any Convertible Instruments pending conversion or any other instruments likely to impact the equity share capital of the Company.

n) **Commodity price risk or foreign exchange risk and hedging activities**

The Company has taken suitable steps from time to time for protecting itself against foreign exchange risk(s). The Company does not enter into hedging activities.

As such, the Company is not exposed to any commodity price risk, and hence the disclosure under Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide SEBI Circular, dated November 15, 2018, is not required.

o) **Equity Shares in the suspense account**

The Company does not have any equity shares in the suspense account.

p) **Transfer of unclaimed/unpaid amount to the Investor Education and Provident Fund**

No unpaid/unclaimed dividend for 2016-17 is transferred to the Investor Education and Provident Fund.

q) **Plant Location**

Since the Company provides services, the Company does not have any manufacturing plant. It operates from Registered & Corporate Office and branches located at different places throughout India.

Our Laboratory network consists of 175 labs (including Global Reference Lab in Mumbai and 13 regional labs)

r) **Credit Rating**

The Company has obtained credit rating from CRISIL on the following:

Non-Convertible Debentures (NCD) and bank loan facility as on October 20, 2021: Rating: CRISIL AA-/Positive for Long Term Facility and CRISIL A1+ for Short Term Facility.

Further, the Company has availed aggregate loan of Rs. 300 Crs (Rupees Three Hundred Crore Only) out of which the credit rating has been obtained only for Rs. 150 Crs (Rupees One Hundred and Fifty Crore Only).

The Company has not issued any NCD as on March 31, 2023 and the existing loan stands as Rs. 7916.67 Lakhs as on March 31, 2023.

7. **OTHER DISCLOSURES**

A. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company**

All related Party Transactions as defined under the Act were in the ordinary course of business and on at Arm's Length basis. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website viz.

https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/MHL_RPT%20Policy%20V2_final_for%20uploading.pdf

B. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years**

No penalties, strictures were imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority on any matter related to Capital Markets.

CORPORATE GOVERNANCE REPORT (Contd.)

C. Disclosure of vigil mechanism/ whistle blower policy and access to the Chairman of the audit committee

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Regulations to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Ethics. The said policy has been put up on the Company's website viz

https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/Whistle_Blower_Policy.pdf

Details of concerns and grievances raised in fiscal 2023 are as follows:

Nature	Complaints Received	Complaint Resolved
Whistle Blower Policy	1	2*
Sexual Harassment at Workplace	2	1
Code of Conduct	12	10
Total	15	13

*One Whistle Blower Policy complaint was carried forward from the previous financial year 2021-22 and resolved in the reporting financial year.

Remark: One of the sexual harassment at workplace case has been resolved after the closing of the financial year. Thus, no cases pending as on date.

D. Policy for determining 'material' subsidiaries

The Company does not have any material non-listed Indian Subsidiary as defined under Regulation 24 of the SEBI Regulations.

The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations. This Policy has been posted on the website of the Company at the web link:

https://www.metropolisindia.com/newdata/Investors/Disclosures%20under%20Regulation%2046%20of%20LODR/9+MHL_Policy+for+determination+of+Material+Subsidiary.pdf

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The minutes of the Board meetings of the subsidiaries are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary periodically updates the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary, if any.

E. Compliance with mandatory requirements:

The Company has complied with all applicable mandatory requirements of the SEBI Listing Regulations as on March 31, 2023 during the year under review. Quarterly Compliance Report on Corporate Governance, in the prescribed format, duly signed by the Compliance Officer is submitted with the Stock Exchanges where the shares of the Company are listed.

F. Policy on materiality and dealing with related party transactions

The Company has adopted a Policy for Determining Materiality of Events / Information which is in line in line with the requirements of Section 177 (4) (iv) and 188 of the Act, read with Rules framed thereunder and as defined under Regulation 30 of the SEBI Regulations. This Policy has been posted on the website of the Company viz.

https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Policy-for-determination-of-materiality-of-events.pdf

G. Proceeds of public, rights and preferential issues

The Company has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the SEBI Regulations, during the financial year under review other than as mentioned in the Board Report in "Change in share capital".

H. Certificate from a Company Secretary in Practice

A certificate dated May 16, 2023 from M/s. RM Shah & Co, Company Secretaries in Practice have been obtained certifying that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority and the same is attached with this Annual Report.

I. Audit Fees

Total fees paid by the Company and its subsidiaries, on a consolidated basis to BSR & CO, LLP, Chartered Accounts, Statutory Auditor and all entities in its network firm/network entity, during the financial year 2022-23

Particulars	Amount (including GST) (in Rs.)
Audit Fees	1,23,04,000
Other Services/certifications	9,49,000
Reimbursement of expenses	38,17,000
Total	1,70,70,000

CORPORATE GOVERNANCE REPORT (Contd.)

J. Disclosure in relation to Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of complaints received and redressed during the financial year 2022-23 are as under: -

- a) number of complaints filed during the financial year : 2
- b) number of complaints disposed of during the financial year : 1
- c) number of complaints pending as on end of the financial year : 1

Remark: The pending case has been resolved after the closing of the financial year

K. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

The Company and its subsidiaries during the financial year under review have not given any "Loans and Advances" in the nature of loans to any of the firms/Company in which the Directors are interested.

L. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company as on date does not have any material subsidiaries.

M. Disclosure on Compliance with Corporate Governance Requirements

Your Company has complied with all the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable to your Company.

N. Accounting treatment

The Financial Statement of the Company for financial year 2022-23 have been prepared in accordance with the applicable accounting principles in India and the Indian accounting standards (Ind AS) prescribed under section 133 of the Act read with the rules made thereunder.

O. Adaption and Compliance of Non-mandatory Requirements:**1. Audit Qualifications:**

There were no qualifications in the Standalone and the Consolidated Financial Statements of the Company for the Financial year ended March 31, 2023.

2. Internal Auditors:

The Internal Auditors directly report to the Audit Committee of the Company.

P. Code of Business Conduct & Ethics

The Company's Code of Business Conduct & Ethics requires Directors and Employees to act honestly, fairly, ethically and with integrity and conduct themselves in a professional, courteous and respectful manner. The Code is displayed on the Company's website at the Web link:

https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Code-of-Conduct-for-Directors-and-Senior-Management.pdf

Q. Conflict of Interest

On an annual basis, each Director informs the Company about the Committee & Board Memberships he/she occupies in other Companies and notifies the Board of any changes thereto. during the financial year under review. Members of the Board while discharging their duties avoid conflict of interest in the decision-making process. The Members of the Board restrict themselves from any decision and voting in transaction that they have concern or interest.

R. Policy on dividend distribution

The Company has adopted Dividend Distribution Policy for distributing the profits of the Company to the shareholders as defined under Regulation 43A of the SEBI Regulations. The said policy is available on the Company's website viz.

<https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL-Dividend-Distribution-Policy.pdf>

S. Policy on Preservation of Documents and Archival Policy

The Company has adopted a Preservation of Documents and Archival Policy for preservation of documents as defined under Regulation 9 of the SEBI Regulations. The said policy has been put on the Company's website viz.

https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL_Policy-on-Preservation-of-Documents-and-Archival.pdf

CORPORATE GOVERNANCE REPORT (Contd.)

T. **Non-compliance of any requirement of corporate governance report**

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the Listing Regulations.

U. **Code of Fair Disclosure of Unpublished Price Sensitive Information**

In order to restrict communication of Unpublished Price Sensitive Information (UPSI), the Company has adopted Code of Fair Disclosure of Unpublished Price Sensitive Information in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said Code is available on the website of the Company at the Web link:

<https://www.metropolisindia.com/newdata/Investors/code-of-conduct/MHL-Code-of-Conduct-for-PIT-13-09-2021.pdf>

The Company Secretary of the Company is the Compliance Officer for monitoring adherence to the said Regulations and in absence of Company Secretary, Chief Financial Officer act as Compliance Officer for the same.

V. **Share Transfer System**

Nomination Facility for Shares held in physical form:

Shareholders who hold shares in physical form and wish to make/ change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit request to Registrar and Transfer Agent (RTA) the prescribed Forms SH-13/SH-14.

Two shares which were in physical form, were on the request of the shareholders converted into demat form. As on 31st March, 2023 there are no shares of the Company in physical form.

Shares held in Electronic Form

Shareholders holding shares in electronic form may note that instructions regarding change of address, bank details, email address, nomination and power of attorney should be given directly to the Depository Participant (DP).

6. **CEO/CFO CERTIFICATION**

The 'Chief Executive Officer & Chief Financial Officer (CEO & CFO)' have certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) read with Part B of Schedule II of SEBI Listing Regulations and the said certificate forms part of this Report.

7. **DECLARATION PURSUANT TO REGULATION 26(3) READ WITH SCHEDULE V OF SEBI LISTING REGULATIONS**

In accordance with Regulation 26(3) read with Schedule V of SEBI Listing Regulations, we hereby declare that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them for the Financial Year ended March 31, 2023 which forms part of this Report.

8. **COMPLIANCE CERTIFICATE OF THE AUDITORS**

Certificate from the Auditors, M/s Manish Ghia & Associates, Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations, and the said certificate forms part of this Report.

9. **ADDRESS FOR CORRESPONDENCE:**

A. Registered Office Address:

Metropolis Healthcare Limited
250-D, Udyog Bhavan,
Hind Cycle Marg,
Worli, Mumbai -400030
Tel.: +91 6258 2810, Fax: NA
Email Id: secretarial@metropolisindia.com /
investor.relations@metropolisindia.com
Website: www.metropolisindia.com

B. Company's Registrar and Share Transfer Agent Address:

Link Intime India Private Limited
C 101, 247 Park, L. B. S. Marg, Vikhroli (West),
Mumbai – 400 083, Maharashtra, India
Tel No.: +91-22-4918 6270
Fax No.: +91-22-4918 6060
Investor query registration:
metropolis.ipo@linktime.co.in

For and On Behalf of the Board of Directors

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place: Mumbai

Date: May 16, 2023



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

METROPOLIS HEALTHCARE LIMITED

250 D Udyog Bhavan Worli

Mumbai-400030, Maharashtra, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **METROPOLIS HEALTHCARE LIMITED** (hereinafter referred to as 'the Company') having CIN L73100MH2000PLC192798 and having registered office at 250 D Udyog Bhavan Worli, Mumbai-400030, Maharashtra, India, provided to us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary, and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	DIN	Name of the Director	Date of Appointment
1.	00109854	Milind Shripad Sarwate	September 07, 2018
2.	00118188	Anita Ramachandran	May 14, 2020
3.	00179918	Sushil Kanubhai Shah	August 17, 2005
4.	00208095	Ameera Sushil Shah	May 06, 2008
5.	00867848	Sanjay Bhatnagar	September 07, 2018
6.	01635195	Hemant Sachdev	May 27, 2021
7.	06527810	Vivek Gambhir	September 07, 2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RM Shah & Co.
(Company Secretaries)

Sd/-

Rashmi Shah

Proprietor

Membership No: A24722

COP No.: 22489

Peer Review No: 3350/2023

UDIN: A024722E000311932

Date: May 16, 2023

Place: Mumbai

CEO AND CFO CERTIFICATION

Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
The Board of Directors,
Metropolis Healthcare Limited

We, Surendran C. the Chief Executive Officer (CEO) and Rakesh Agarwal, the Chief Financial Officer (CFO) of Metropolis Healthcare Limited (the Company) to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2023 and that to the best of our knowledge and belief, these statements :
1. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit committee that:
1. there has been no significant change in internal control over financial reporting during the financial year ended March 31, 2023;
 2. there has been no significant change in accounting policies during the financial year ended March 31, 2023, and;
 3. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal control systems over financial reporting.

Sd/-
Surendran C.
Chief Executive Officer

Sd/-
Rakesh Agarwal
Chief Financial Officer

Date: May 16, 2023
Place: Mumbai



COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Surendran C, Chief Executive Officer of the Company hereby declare that the Board members and the Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct of the Company for the financial year ended March 31, 2023.

Thanking you,

Yours faithfully,

Sd/-

Surendran C

Chief Executive Officer

Date: May 16, 2023

Place: Mumbai

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

To
The Members
Metropolis Healthcare Limited
Mumbai - 400030.

We have examined the compliance of conditions of Corporate Governance by **Metropolis Healthcare Limited**, for the year ended on March 31, 2023 as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Place: Mumbai
Date: May 16, 2023
UDIN: F006252E000306541

Sd/-
CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

INDEPENDENT AUDITOR'S REPORT

To the Members of
Metropolis Healthcare Limited

Report on the Audit of the Standalone Financial Statements

OPINION

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

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

Impairment assessment of Goodwill and Indefinite life intangible asset

See Note 4 to standalone financial statements

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

The key audit matter	How the matter was addressed in our audit
<p>As disclosed in note 4, The Company's standalone financial statements includes Goodwill aggregating Rs. 41,542.55 lakhs pertaining to past acquisitions/ amalgamations. Further, the Company's Standalone Financial Statements also includes intangible assets with indefinite life ('Brand') aggregating Rs. 29,387.00 lakhs, which was acquired pursuant to acquisition of Dr. Ganesan's Hitech Diagnostic Centre Private Limited, which together represents 50% of total assets of the Company as at March 31, 2023.</p> <p>The Company tests goodwill and indefinite life intangible asset for impairment annually, or more frequently when there is an indication, the cash generating unit to which goodwill and indefinite life intangible asset has been allocated may be impaired</p> <p>The recoverable value of the CGU which is based on the value in use model, has been derived from discounted forecast cash flow model.</p> <p>We identified the assessment of impairment indicators in respect of goodwill and indefinite life intangible asset as a key audit matter considering:</p> <ul style="list-style-type: none"> ● The significance of the value of goodwill and indefinite life intangible asset in the Standalone Balance Sheet. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ● Understanding the process followed by the company in respect of the annual impairment analysis. ● Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the company process of performing impairment assessment, including controls over determination of discount rate and terminal growth rate. ● Challenging the reasonableness of the assumptions, particularly forecasted revenue growth rate and related costs based on our knowledge of the Company and market. Assessing historical accuracy by comparing past forecasts to actual results achieved. ● Involving valuation professionals with specialised skills and knowledge to assist in evaluating the impairment model used and assumptions including discount rate and terminal growth rate applied by the Company by comparing it to a range of rates that were independently developed using publicly available market indices and market data for comparable entities. ● Testing data used to develop the estimate for completeness and accuracy.

INDEPENDENT AUDITOR'S REPORT (Contd.)

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> The degree of judgement involved in determining the recoverable amount of goodwill and indefinite life intangible asset including: <ul style="list-style-type: none"> Valuation assumptions such as discount rate and terminal growth rate. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above. 	<ul style="list-style-type: none"> Performing a sensitivity analysis to evaluate the impact of change in key assumption individually or collectively to the recoverable value. Assessing the adequacy of disclosures in the standalone financial statements.

Impairment assessment of Investments in subsidiaries

See Note 5 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company has investments in subsidiaries aggregating to Rs. 3,489.88 lakhs as at March 31, 2023. The Company records the investments at cost less any provision for impairment loss. Changes in business environment could have a significant impact on the valuation of these investments. As such, the investments are tested for any triggers for impairment. If triggers are identified, the recoverable amounts of the investments are determined and if the amount is lower than the carrying value of the investments, impairment loss is recognized in the statement of profit and loss.</p> <p>The recoverable amount which is based on the value in use model, has been derived from discounted cash flow model.</p> <p>We identified the assessment of impairment indicators and resultant provisions, if any, in respect of investment in subsidiaries as a key audit matter considering:</p> <ul style="list-style-type: none"> The significance of the value of these investments in the Standalone Balance Sheet Performance and net worth of these entities The degree of judgement involved in determining the recoverable amount of these investments including: <ul style="list-style-type: none"> Valuation assumptions such as discount rate and terminal growth rate. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Understanding the process followed by the Company in respect of the annual impairment analysis for investments in subsidiaries. Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the Company's process relating to review of the annual impairment analysis, including controls over determination of discount rate and terminal growth rate. Assessed the indicators of impairment of investments in subsidiaries and compared the carrying values of the investment in subsidiaries with their respective net asset values and assessed the performance and their outlook. Evaluated key assumptions in the Company's valuation models used to determine recoverable amount including assumptions of projected earning before interest, taxes and depreciation and amortisation, growth rate and related costs based on our knowledge of the Company and market. Assessing historical accuracy by comparing past forecasts to actual results achieved. Testing data used to develop the estimate for completeness and accuracy. Performing a sensitivity analysis to evaluate the impact of change in key assumptions individually or collectively to the recoverable value. Assessing the adequacy of the Company's disclosures in the standalone financial statements.

OTHER INFORMATION

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including

INDEPENDENT AUDITOR'S REPORT (Contd.)

any significant deficiencies in internal control that we identify during our audit.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis during 11 August 2022 till 29 March 2023.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements - Refer Note 42 to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 57 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee,

INDEPENDENT AUDITOR'S REPORT (Contd.)

security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 57 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i)

and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Place: Mumbai
Date: 16 May 2023

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

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

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in every three years. In accordance with this programme, all the property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

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

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments and granted interest bearing unsecured loans to other parties in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnerships.

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

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

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made and the terms and conditions of the grant of unsecured loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest bearing unsecured loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan

granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

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

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

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

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, considering the principles of materiality as outlined in the Standards on Auditing, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State Insurance, Income-Tax, cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in few cases

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

of Goods and Service tax, Provident fund, Labour welfare fund, Employees State Insurance and Professional tax. The Company does not have any liability in respect of duty of customs.

- (viii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, considering the principles of materiality as outlined in the Standards on Auditing, no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income-Tax, cess or other statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable, except as mentioned below:

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

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

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

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

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries (as defined under the Act). The Company does not hold any investment in any joint ventures or associate companies (as defined under the Act) during the year ended March 31, 2023.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any joint venture or associate companies (as defined under the Act) during the year ended March 31, 2023.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

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

- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information

accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

Place: Mumbai
Date: 16 May 2023

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

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



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

OPINION

We have audited the internal financial controls with reference to financial statements of Metropolis Healthcare Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on

the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

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

Sd/-
Tarun Kinger
Partner

Place: Mumbai
Date: 16 May 2023

Membership No.: 105003
ICAI UDIN:23105003BGYDKT9245

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2023

(Rs. in Lakhs)

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

Basis of preparation, measurement and significant accounting policies

2

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

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

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai



STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

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

Basis of preparation, measurement and significant accounting policies 2

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

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

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

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



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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
C Cash flow from financing activities		
Proceed from borrowings	324.00	60,000.00
Repayment of borrowings	(17,886.68)	(34,145.48)
Principal payment of lease liabilities	(4,423.56)	(2,830.47)
Proceeds from exercise of options under MESOS 2015 and RSU 2020 scheme (Refer Note 48)	18.36	197.46
Payment of dividend	(4,096.85)	(4,093.77)
Interest paid on lease liabilities	(1,638.42)	(1,029.26)
Payment of upfront fees on borrowings	-	(106.08)
Interest paid on borrowings	(1,083.46)	(795.24)
Net cash flows (used) / generated in/ from financing activities (C)	(28,786.61)	17,197.16
Net Increase in cash and cash equivalents (A) + (B) + (C)	(340.44)	(32,219.72)
Cash and cash equivalents at the beginning of the year	2,749.12	34,768.18
Add : Cash acquired under business combination	-	200.66
Cash and cash equivalents at the end of the year (Refer note 13(a))	2,408.68	2,749.12

- 1 The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind. AS - 7 "Statement of Cash Flows"
- 2 The figures in the brackets indicate outflow of cash and cash equivalents.
- 3 The movement of borrowing as per IND AS 7 is as follows :

Movement in borrowings (excluding interest accrued and not due)

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

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

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

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai

STANDALONE STATEMENT OF CHANGES IN EQUITY ('SOCIE')

FOR THE YEAR ENDED MARCH 31, 2023

(a) Equity share capital (Refer note 17)

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

(b) Other Equity (Refer note 18)

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

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

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

Refer Note 18 for nature and purpose of reserves

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

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

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

1. BACKGROUND OF THE COMPANY AND NATURE OF OPERATION

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

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

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and measurement

a Statement of compliance:

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

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

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

b Current vs non-current classification:

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

Assets:

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

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;

- it is expected to be realized within twelve months after the reporting date; or
- 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:

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

Operating cycle:

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

c Basis of measurement

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

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

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

d Key estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are :

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

e Measurement of fair values

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

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

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

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

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

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

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

- Financial instruments (Note 39)
- Share-based payment arrangements (Note 48 (c))
- Business combination (Note 59)

2.2 Significant accounting policies

a) Business combinations

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

Common Control:

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

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

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

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

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

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

b) **Property plant and equipment**

Recognition and measurement:

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

Freehold land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, (after deducting trade discounts and rebates), any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

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

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

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

Depreciation:

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

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

Leasehold improvement are depreciated over the tenure of lease term.

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

c) **Intangible assets**

Goodwill

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

Other Intangible assets:

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

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

Amortization:

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

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

estimated useful lives, and is recognized in statement of profit and loss.

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

Computer software - 5 years

Brand - 10 years

Customer relationship - 5 years

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

d) **Impairment of non-financial assets**

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

The recoverable amount of an individual asset (or where applicable, that of cash generating unit (CGU) to which the asset belongs) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

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

e) **Financial Instruments**

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

Financial instruments also include derivative contracts such as call options to buy out stake in subsidiary.

1 **Financial assets**

Initial recognition and measurement

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

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

Subsequent measurement

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

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

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

Amortized cost :

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

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

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

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

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

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

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

Fair value through Other Comprehensive Income ('FVOCI')

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

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

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

After initial measurement, these assets are subsequently measured at fair value. Dividends, Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognized in the Statement of Profit and Loss. Other net gains and losses are recognized in other comprehensive Income.

Derecognition:

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

The contractual rights to receive cash flows from the financial asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- (a) the Company has transferred substantially all the risks and rewards of the asset, or
- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of financial assets

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

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

2 Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

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

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

Financial Liabilities at amortized cost:

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

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

Derecognition

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

Derivative financial instruments

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the

balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

f) Investments in subsidiaries, associates and joint ventures:

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

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

g) Borrowings

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

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

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

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

not to demand payment as a consequence of the breach.

h) **Borrowing costs**

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

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

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

i) **Inventories**

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

j) **Cash and Cash Equivalents**

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

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

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

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

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

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

l) **Revenue Recognition**

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

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

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

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

m) **Other income**

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset.

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

When calculating the EIR the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options); expected credit losses are considered if the credit risk on that financial instrument has increased significantly since initial recognition

Dividend income

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

n) Employee Benefits

(i) Short-term Employee benefits

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

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

(ii) Share-based payments

The cost of equity settled transactions is determined by the fair value at the grant date which is based on the Black Scholes model. The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity under "Employee Stock Options Reserve", over the period that the employees become unconditionally entitled to the options.

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

When the terms of an equity-settled award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognized for any modification that results in additional fair value, or is otherwise

beneficial to the employee as measured at the date of modification.

(iii) Post-Employment Benefits

Defined Contribution Plans:

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

Defined Benefit Plans:

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

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

o) Leases

Ind-As 116:

As a lessee

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

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

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

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

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

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Value Ind AS Retail Limited, which does not have recent third party financing, and makes adjustments specific to the lease, e.g. term, country, currency and security.

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

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

- the amount of the initial measurement of lease liability

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

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

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

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

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

The right-of-use assets are presented as a separate line in the statement of financial position. The

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

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

p) **Income-tax**

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

Current Tax

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

- Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

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

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable

that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Uncertain tax provision

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

q) **Foreign currency transactions**

Functional and Presentation currency

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

Transactions and balances

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

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

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

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

r) Dividend

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

s) Earnings per share:

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

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

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

t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) as defined in Ind AS-108 'Operating Segments' for allocating resources and assessing performance.

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

u) Recent Indian Accounting Standards (Ind AS)

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

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

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

v) Rounding off amounts

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

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

3. PROPERTY, PLANT AND EQUIPMENT

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

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

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

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

b Details of benami property held:

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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

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

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

Details as on March 31, 2023

Description of item of property	Gross carrying value (INR in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter /director	Property held since which date	Reason for not being held in the name of the Company
Land	1,035.40	Lister Metropolis Laboratory and Research Centre Private Limited	NA	January 30, 2009	Merger adjudication pending
Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/Director Relative of Director	August 16, 2000	Title clearance report is pending
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited	NA	January 30, 2009	Merger adjudication pending
Buildings	35.53	Dr. Golwilkar Laboratories Private Limited	NA	September 30, 2018	Merger adjudication pending
Buildings	1,266.01	Sanket Diagnostics Private Limited	NA	March 16, 2018	Adjudication is on hold
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	June 03, 2022	Merger adjudication pending

Details as on March 31, 2022

Description of item of property	Gross carrying value (INR in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter /director	Property held since which date	Reason for not being held in the name of the Company
Land	1,035.40	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	January 30, 2009	Merger adjudication pending
Buildings	609.94	1. Dr. Sushil Kanubhai Shah 2. Dr. Duru Sushil Shah	Promoter/ Director Relative of Director	August 16, 2000	Title clearance report is pending
Buildings	482.80	Lister Metropolis Laboratory and Research Centre Private Limited.	NA	January 30, 2009	Merger adjudication pending
Buildings	35.53	Dr. Golwilkar Laboratories Private Limited	NA	September 30, 2018	Merger adjudication pending
Buildings	1,266.01	Sanket Diagnostics Private Limited	NA	March 16, 2018	Merger adjudication pending
Buildings	189.87	Desai Metropolis Health Services Private Limited	NA	June 03, 2022	Merger adjudication pending

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

4. OTHER INTANGIBLE ASSETS

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

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

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

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

Intangible assets under development

(Rs. in Lakhs)

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

Intangible Asset under Development (IAUD)

Ageing Schedule as at March 31, 2023

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,373.53	577.65	-	-	1,951.18
Projects temporarily suspended	-	-	-	-	-
	1,373.53	577.65	-	-	1,951.18

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
CRM implementation Project	1,263.53	577.65	-	-	1,841.18
	1,263.53	577.65	-	-	1,841.18

Ageing Schedule as at March 31, 2023

(Rs. in Lakhs)

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

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

Goodwill Impairment

Carrying amount of goodwill which is allocated to the pathology division as at March 31, 2023 is Rs. 41,542.55 Lakhs (March 31, 2022 is Rs. 41,542.55 Lakhs). This goodwill is acquired on account of business acquisition and merger of subsidiaries.

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

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

(Rs. in Lakhs)

Cash Generating Unit	As at March 31, 2023	As at March 31, 2022
Sanjeevani Pathology Laboratory	4,593.90	4,593.90
Golwilkar Metropolis Health Services (India) Private Limited	287.00	287.00
Sudharma Metropolis Health Services Private Limited (refer note 45)	32.91	32.91
Desai Metropolis Health Services Private Limited (refer note 45)	1,173.90	1,173.90
Micron Metropolis Healthcare Private Limited (refer note 45)	58.59	58.59
Bokil Golwilkar Metropolis Healthcare Private Limited (refer note 45)	147.55	147.55
Dr. Ganesan's Hitech Diagnostic Centre Private Limited (refer note 59)	35,248.70	35,248.70
	41,542.55	41,542.55

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

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

Key assumptions used in the value-in-use calculations

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

* EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortization.

(Rs. in Lakhs)

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

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

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

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

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

5. NON-CURRENT INVESTMENTS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Investment in subsidiaries		
Unquoted equity shares at cost		
Ekopath Metropolis Lab Services Private Limited 306,000 (March 31, 2022: 306,000) Equity shares of Face value of Rs. 10 each (Fully Paid up)	30.60	30.60
Metropolis Healthcare Mauritius Limited 225,100 (March 31, 2022: 225,100) Equity shares of Face value of USD 1 each (Fully Paid up)	127.49	127.49
Amins Pathology Laboratory Private Limited 100,000 (March 31, 2022: 100,000) Equity shares of Face value of Rs. 10 each (Fully Paid up)	10.00	10.00
Metropolis Healthcare Lanka Private. Limited, Sri Lanka 250,000 (March 31, 2022: 250,000) Equity shares of Face value of Sri Lankan Rupee 10 each (Fully paid up)	11.04	11.04
Metropolis Histoxpert Digital Services Private Limited 3,000,000 (March 31, 2022: 3,000,000) Equity shares of Face value of Rs. 10 each (Fully paid up)	0.94	0.94
Central Lab Health Care Services Private Limited 4,350,000 (March 31, 2022: 4,350,000) Equity shares of Face value of Rs. 10 each (Fully paid up)	3,309.81	3,309.81
Investment in subsidiaries	3,489.88	3,489.88
Less : Provision for impairment	-	-
Total Investment in subsidiaries	3,489.88	3,489.88
Investment in Others		
Unquoted equity shares at Fair Value through other comprehensive income		
Textiles Traders Co-op Bank Limited 1,100 (March 31, 2022: 1,100) equity shares of Face value Rs. 25 each (fully paid up)	0.28	0.28
Centre for Digestive and Kidney Disease (India) Private Limited 1,750,000 (March 31, 2022: 1,750,000) Equity shares of Face value of Rs. 10 each (Fully Paid up)	175.00	175.00
Unquoted equity shares at cost		
Star Metropolis Health Services Middle East LLC, Dubai 1,020 (March 31, 2022: 1,020) Equity shares of Face value of AED of 1,000 each (Fully Paid up) (Refer Note 52)	129.85	129.85
Total Other Investment	305.13	305.13
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai	(129.85)	(129.85)
Total Investment in Others	175.28	175.28
Total value of investments	3,665.16	3,665.16
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	3,665.16	3,665.16
Aggregate amount of impairment in value of investments	(129.85)	(129.85)

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**6. LOANS**

(Rs. in Lakhs)

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

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

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

7. OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

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

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

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

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

8. NON-CURRENT TAX ASSETS (NET)

(Rs. in Lakhs)

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

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

9. OTHER NON-CURRENT ASSETS

(Rs. in Lakhs)

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

10. INVENTORIES

(Rs. in Lakhs)

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

11. CURRENT INVESTMENTS

(Rs. in Lakhs)

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



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

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

12. TRADE RECEIVABLES

(Rs. in Lakhs)

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

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

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

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

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

(Rs. in Lakhs)

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

Trade receivables Ageing Schedule

As at March 31, 2023

(Rs. in Lakhs)

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

As at March 31, 2022

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	3,314.00	7,923.13	1,698.78	1,433.18	390.68	82.60	14,842.37
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	27.81	169.47	190.31	196.00	0.25	769.66	1,353.50
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total (A)	3,341.81	8,092.60	1,889.09	1,629.18	390.93	852.26	16,195.87
Allowance for expected credit loss	-	-	-	-	-	-	795.23
Allowance for credit impairment	-	-	-	-	-	-	1,353.50
Total (B)	-	-	-	-	-	-	2,148.73
Total [(A)-(B)]	3,341.81	8,092.60	1,889.09	1,629.18	390.93	852.26	14,047.14

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

13.

(a) Cash and cash equivalents

(Rs. in Lakhs)

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

(b) Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

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

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

14. LOANS

(Rs. in Lakhs)

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

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

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

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

15. OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

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

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

16. OTHER CURRENT ASSETS

(Rs. in Lakhs)

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

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

17. EQUITY SHARE CAPITAL
(a) Details of authorized, issued and subscribed share capital

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

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

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

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

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

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

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

(d) Details of shares held by promoters
As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	25,97,325	(12,80,267)	13,17,058	2.57%	(49.29%)
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	36,83,760	12,80,266	49,64,026	9.69%	34.75%
Sushil Shah Family Trust	12,77,920	12,80,267	25,58,187	5.00%	100.18%
Duru Sushil Shah	20,45,925	(12,80,266)	7,65,659	1.50%	(62.58%)
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.64%	0.00%
Total	2,54,77,991	-	2,54,77,991	49.75%	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**
As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	24,47,325	1,50,000	25,97,325	5.08%	6.13%
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	12,77,920	24,05,840	36,83,760	7.20%	188.26%
Sushil Shah Family Trust	12,77,920	-	12,77,920	2.50%	0.00%
Duru Sushil Shah	48,76,765	(28,30,840)	20,45,925	4.00%	(58.05%)
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.66%	0.00%
Total	2,57,52,991	(2,75,000)	2,54,77,991	49.80%	-

(e) Terms/rights attached to equity shares

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

(f) Dividends

(Rs. in Lakhs)

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

18. OTHER EQUITY

(Rs. in Lakhs)

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

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

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

Nature and purpose of Reserves**Securities Premium**

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

Capital redemption reserve

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

General Reserve

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

Share application money pending allotment

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

Employee stock options reserve

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

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

Retained Earnings

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

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

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

19. BORROWINGS

(Rs. in Lakhs)

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

- Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private. Limited. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank.
- Term loan from a bank amounting to Rs. 15,000 Lakhs was secured through first charge on the current assets, movable fixed assets and specific immovable properties. The loan has been prepaid during the year & there is no outstanding as on March 31, 2023.
- Loan from related party amounting to Rs. 324 Lakhs is repayable in 36 equal monthly instalments with March 01, 2026 as maturity date with an interest rate as agreed with the related party.
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

20. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

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

21. PROVISIONS

(Rs. in Lakhs)

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

22. BORROWINGS

(Rs. in Lakhs)

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

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

- a) Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private. Limited. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank.
- b) Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge on the current assets, movable fixed assets and specific immovable properties. The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank. The loan has been prepaid during the year & there is no outstanding as on March 31, 2023.
- c) Loan from related party amounting to Rs. 324 Lakhs is repayable in 36 equal monthly instalments with March 01, 2026 as maturity date with an interest rate as agreed with the related party.
- d) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

23. TRADE PAYABLES

(Rs. in Lakhs)

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

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

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

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	117.78	12.44	0.10	-	130.32
Undisputed dues of creditors other than micro enterprises and small enterprises	7,719.66	938.52	451.12	183.15	9,292.45
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	7,837.44	950.96	451.22	183.15	9,422.77

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

24. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

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

25. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

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

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

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

26. PROVISIONS

(Rs. in Lakhs)

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

27. CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**28. REVENUE FROM OPERATIONS**

(Rs. in Lakhs)

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

29. OTHER INCOME

(Rs. in Lakhs)

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

30. COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

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

31. LABORATORY TESTING CHARGES

(Rs. in Lakhs)

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

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

32. EMPLOYEE BENEFITS EXPENSE

(Rs. in Lakhs)

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

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

33. FINANCE COSTS

(Rs. in Lakhs)

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

34. DEPRECIATION AND AMORTIZATION EXPENSES

(Rs. in Lakhs)

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**35. OTHER EXPENSES**

(Rs. in Lakhs)

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

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

36. EXCEPTIONAL ITEMS

(Rs. in Lakhs)

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

Notes:

- The Company was in a prolonged dispute in relation to trade receivables from a party towards lab management services rendered by the Company and the matter was under arbitration. The Company has amicably resolved the dispute with the party and agreed final settlement of Rs. 1,600 Lakhs towards all the claims. The Company has disclosed this under exceptional item in the year ended March 31, 2022.
- The Company had filed Arbitration proceedings against Dr. Golwilkar Labs Private Limited. (Golwilkar) claiming an amount of Rs.759 Lakhs (along with interest thereon) lying in Escrow account. Golwilkars subsequently filed their Counter claim for an amount of Rs.143.10 Lakhs on the Company towards alleged non-payment of salary/ consultancy fees to them (along with interest thereon). On July 08, 2021, the Hon'ble Tribunal passed an Arbitral Award allowed claims of both the Claimant and the Respondents along with 6% interest. Thereafter the Company and Golwilkar entered into settlement agreement to withdraw the amount lying in Escrow account. The Company has disclosed this under exceptional items in the year ended March 31, 2022.

37. INCOME TAXES

(a) Tax expense recognized in Profit and Loss

(Rs. in Lakhs)

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

(b) Tax charge recognized in Other Comprehensive Income

(Rs. in Lakhs)

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

(Rs. in Lakhs)

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

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

(c) Reconciliation of Effective Tax Rate

(Rs. in Lakhs)

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

(d) Movement in deferred tax assets and liabilities

As at March 31, 2023

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

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**
As at March 31, 2022

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

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

(e) Tax Assets and Liabilities

(Rs. in Lakhs)

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



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

38. EARNINGS PER SHARE (EPS)

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

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

(Rs. in Lakhs)

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

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

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**
39. FINANCIAL INSTRUMENTS – FAIR VALUES
(A) Accounting classification and fair values

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

(Rs. in Lakhs)

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



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

(Rs. in Lakhs)

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

**The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at their cost, i.e. Rs. 175.28 Lakhs (March 31, 2022 Rs.175.28 Lakhs)

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

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

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

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

(B) Fair value hierarchy

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

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

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

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

Financial instruments measured at fair value

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

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

(C) Financial risk management

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

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

- Credit risk
- Liquidity risk
- Market risk

Credit risk

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

a. Trade receivables and other receivables

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

The Company does not have any significant concentration of credit risk. Further, company has no customer (March 31, 2022- NIL) which accounts for 10% or more of the total trade receivables at each reporting date.

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

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

The movement in the provision for bad and doubtful debts for the year ended March 31, 2023

(Rs. in Lakhs)

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

b. Cash and cash equivalents and Other bank balances

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

c. Investments

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

d. Loans and advances

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

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

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

The movement in the provision for advances having significant increase in credit risk and which are credit impaired for the year ended March 31, 2023:

(Rs. in Lakhs)

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

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

Liquidity risk:

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

Maturities of financial liabilities

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

(Rs. in Lakhs)

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

(Rs. in Lakhs)

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

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

Market risk:

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

a. Currency risk

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

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

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

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

(Rs. in Lakhs)

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

(Rs. in Lakhs)

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

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

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

b. Interest rate risk

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

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

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

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

(Rs. in Lakhs)

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

Interest rate sensitivity - variable rate instruments

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

(Rs. in Lakhs)

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

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

(D) Capital management

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

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

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

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

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



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

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

(Rs. in Lakhs)

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

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

A. Relationships –

Category I: Subsidiaries:

Ekopath Metropolis Lab Services Private Limited

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

Metropolis Histoxpert Digital Services Private Limited

Centralab Healthcare Services Private Limited

Metropolis Healthcare (Mauritius) Limited

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

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

Step down Subsidiary companies

Metropolis Bramser Lab Services (Mtius) Limited

Metropolis Healthcare Ghana Limited

Metropolis Star Lab Kenya Limited

Metropolis Healthcare (Tanzania) Limited

Metropolis Healthcare Uganda Limited

Category II: Key Management Personnel (KMP)

Dr. Sushil Kanubhai Shah, Chairman and Executive Director

Ms Ameera Sushil Shah, Managing Director

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

Mr Rakesh Agarwal, Chief Financial Officer

Mr Hemant Sachdev, Non-Executive Director

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

Mr Milind Shripad Sarwate, Independent Director

Mr Vivek Gambhir, Independent Director

Mr Sanjay Bhatnagar, Independent Director

Ms Anita Ramachandran, Independent Director

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

Category III: Relatives of KMP

Dr. Duru Sushil Shah

Ms Aparna Shah (Rajadhyaksha)

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

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

Metz Advisory LLP

Metropolis Health Products Retail Private Limited

Chogori Retail Private Limited

Chogori Distribution Private Limited

Chogori India Retail Limited

Sushil Shah Family Trust

Duru Shah Family Trust

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

Metropolis foundation

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

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

(Rs. in Lakhs)

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

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

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

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

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

(Rs. in Lakhs)

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

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

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

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

(Rs. in Lakhs)

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

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**41. COMMITMENTS**

(Rs. in Lakhs)

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

Other commitments:

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

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

42. CONTINGENT LIABILITIES NOT PROVIDED FOR

(Rs. in Lakhs)

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

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

43. AUDITORS' REMUNERATION

(Rs. in Lakhs)

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

44. DISCLOSURE ON IND-AS 116 LEASES**Following is the summary of practical expedients elected on application:**

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

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

- The effect of depreciation and interest related to Right Of Use Asset and Lease Liability are reflected in the Profit & Loss Account under the heading "Depreciation and Amortization Expense" and "Finance costs" respectively under Note No 34 and 33
- The incremental borrowing rate applied to lease liabilities for FY 2022-23 is 9.2% -10.10% based on tenure of arrangement
- Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

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

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

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

(Rs. in Lakhs)

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

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

9 Rental expense recorded for short-term leases / Variable rent was Rs. 9,013.55 Lakhs (March 31, 2022 Rs. 10,277.74 Lakhs) for the year ended March 31, 2023.

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

45. SCHEME OF MERGER

The Board of Directors of the Company at its meeting held on 06 August July 2021 had approved the Composite Scheme of Arrangement (the 'Scheme') for merger of its eight wholly owned subsidiaries of the Company with the Company. Application seeking approval of the Scheme was subsequently filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on September 22, 2021.

On receipt of the certified copy of the order dated June 03, 2022 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date April 01, 2021, and upon filing the same with Registrar of Companies, Maharashtra on July 11, 2022 the Scheme has become effective. Accordingly, the Company has given effect to the Scheme from the appointed date of April 01, 2021 by revising the standalone financial statements for the year ended March 31, 2021 and March 31, 2022. Pursuant to the Scheme, all the assets, liabilities, reserves and surplus of the transferor company have been transferred to and vested in the Company with effect from the appointed date at their carrying values.

Name of the transferor company	1. Bokil Golwilar Metropolis Healthcare Private Limited, 2. Desai Metropolis Health Services Private Limited, 3. Dr. Patel Metropolis Healthcare Private Limited, 4. Lab One Metropolis Healthcare Services Private Limited, 5. Micron Metropolis Healthcare Private Limited, 6. R.V. Metropolis Diagnostic & Health Care Center Private Limited, 7. Raj Metropolis Healthcare Private Limited & 8. Sudharma Metropolis Health Services Private Limited
General nature of business	Healthcare Services
Appointed Date of the Scheme	April 01, 2021
Description and number of shares issued	Nil
% of Company's equity shares exchanged	Nil

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

a) Accounting treatment

- The Transferee Company has recorded all the assets, liabilities and reserves of the Transferor Company vested in it pursuant to this Scheme, at their book values and in the same form as appearing in the books of the Transferor Company as on the Appointed Date, by applying the principles as set out in Appendix C of IND AS 103 'Business Combinations' and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.
- The financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.

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

- iii) Any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company, if any, ipso facto, stand discharged and come to end and the same is eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
- iv) Investments in shares of the Transferor Company held by the Transferee Company have been adjusted against Share Capital of the Transferor Company and the difference, between cost of investment of the Transferor Company in the books of the Transferee Company has been adjusted against balance of reserves and surplus of the Transferee Company post-merger.
- v) The identity of the reserves has been preserved and appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.

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

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

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

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

- a) Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the Company Rs. 2,895.32 Lakhs has been debited to the other equity of the the Company.
- b) The authorized share capital of the Transferee Company, automatically stands increased, by clubbing the authorized share capital of the Transferor Company which is 6,386 Lakhs divided into 319,304,015 equity shares of Rs. 2 each.

46.

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

(Rs. in Lakhs)

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

(b) Reconciliation of revenue from contracts with customers

(Rs. in Lakhs)

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

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

47. MICRO AND SMALL ENTERPRISES

There are some micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2023. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a. Principal amount remaining unpaid to any supplier as at the year end	176.58	130.32
Interest due thereon:		
b. Amount of Interest paid during the year	-	-
c. Amount of payments made to the supplier beyond the appointed day during the accounting year.	-	-
d. Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006)	-	-
e. Amount of Interest accrued and remaining unpaid at the end of the accounting year.	0.27	2.18
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

48. EMPLOYEE BENEFITS

(a) Defined benefits plan

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

(Rs. in Lakhs)

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

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

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

H. Sensitivity analysis

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

(Rs. in Lakhs)

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

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

I. Expected future cash flows

	(Rs. in Lakhs)				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligations (Gratuity)	732.26	523.16	944.10	550.24	2,749.75
Total	732.26	523.16	944.10	550.24	2,749.75
	(Rs. in Lakhs)				
	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022					
Defined benefit obligations (Gratuity)	572.26	408.91	805.35	742.08	2,528.60
Total	572.26	408.91	805.35	742.08	2,528.60

(b) Defined contribution plan

The Company contributes towards statutory provident fund as per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and towards employee state insurance as per the Employees' State Insurance Act, 1948. The amount of contribution to provident fund and Employee State Insurance Scheme recognized as expenses during the year is Rs. 1,391.78 Lakhs (March 31, 2022 Rs. 1,205.69 Lakhs).

(c) Employee Stock Option Schemes

Description of share-based payment arrangements:

As at March 31, 2023 and March 31, 2022 Company had following share-based payment arrangements:

RSU 2020 -

This plan may be called the Metropolis-Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) as approved by the Board of Directors of the Company at its meeting held on February 6, 2020 as per the recommendation of Nomination and Remuneration Committee and approved by members of the Company through postal ballot process on April 06, 2020.

This plan shall be deemed to have come into force on April 06, 2020 (Being the date of passing of special resolutions for approving the MHL-RSU Plan 2020 by the Shareholder of the Company through postal ballot process) or on such date as may be decided by the Nomination and Remuneration Committee ("Committee") of the Company.

MESOS 2015 -

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

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

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

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

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
RSU - Option granted to eligible employees on May 2020	3,70,000	For the Options to vest, the Grantee has to met the performance parameters & be in employment of the Metropolis Group on the date of the vesting.	The exercise period for RSU vested will be two years from date of vesting .
MESOS 2015 - Option granted to eligible employees on April 25, 2016	27,800	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.
MESOS 2015 - Option granted to eligible employees on October 16, 2017	1,85,550	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.

Reconciliation of Outstanding share options

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

RSU 2020

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

Summary of Shares/Option exercised during the year.

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

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**
MESOS 2015

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

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

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

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

Summary of Shares/Option exercised during the year

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

Measurement of Fair value

The fair value of employee share options has been measured at fair value of prevailing market value. The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity settled share based payment plans are as follows:

	MESOS 2015		RSU 2020
	October 16, 2017	April 25, 2016	May 29, 2020
Fair value at grant date	142.80	66.00	Year 1 - 1,280.47 Year 2 - 1,267.36 Year 3 - 1,254.82 Year 4 - 1,242.37
Share price at grant date	2,910.00	2,289.00	1,321.00
Exercise price	3,670.00	3,670.00	2
Expected volatility (Weighted average volatility)	16.04%	16.70%	Year 1 - 46.31% Year 2 - 61.61% Year 3 - 63.76% Year 4 - 63.76%
Expected life (expected weighted average life)	1.64 years	4.05 years	Year 1 - 3 years Year 2 - 4 years Year 3 - 5 years Year 4 - 6 years
Expected dividends	3%	3%	0.01
Risk-free interest rates (Based on government bonds)	6.35%	7.42%	Year 1 - 4.56% Year 2 - 4.69% Year 3 - 5.42% Year 4 - 5.6%

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

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

(d) Compensatory absences:

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

49. SEGMENT REPORTING

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

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

50. CORPORATE SOCIAL RESPONSIBILITY (CSR)

(Rs. in Lakhs)

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

51.

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

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

Investments :

Details of investments made during the year are as under:

(Rs. in Lakhs)

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

(b) Deferred payment consideration

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

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

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

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

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

The deferred consideration of Rs. 60 Lakhs has been measured at fair value (Rs. 55.22 Lakhs) on initial recognition and the difference of Rs. 4.78 Lakhs will be recognize as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. NIL (March 31, 2022 Rs. 1.31 Lakhs) charged to statement of profit and loss (refer note 33).

During the 2019-20, Desai Metropolis health Services Private Limited a subsidiary of the Company has entered into a business purchase agreement to acquire Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab) located at Surat for an initial purchase consideration of Rs. 1,800.00 Lakhs. The amount of Rs. 1,800.00 Lakhs is to be paid by the Desai Metropolis health Services Private Limited to the owners of these laboratories in 6 tranches starting from September 2019 to September 2024.

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

Summarized Details of Deferred Purchase Consideration

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

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

As at March 31, 2023, the Company has an investment of Rs. 129.85 Lakhs (March 31, 2022 Rs. 129.85 Lakhs) and receivable of Rs. 445.05 Lakhs (March 31, 2022 Rs. 445.05 Lakhs) from Star Metropolis Health Services Middle East LLC ('Star Metropolis'). Since the information has not been forthcoming for many years, Management has decided to discontinued to recognize the said entity as an associate from the previous year and has filed an application to Reserve Bank of India (RBI) through Authorized Dealer Bank seeking permission to write off the above investment and receivable.

53. TRANSFER PRICING

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

54. SHAREHOLDING IN THE SUBSIDIARY COMPANY

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

55. DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

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

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

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

57. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or on any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

58. SUBSEQUENT EVENT

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

59. BUSINESS COMBINATION

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

- a) On October 22, 2022, the Company has acquired 100% stake in Dr.Ganesan's Hitech Diagnostic Centre Private Limited ("Hitech") and its wholly owned subsidiary Centralab Healthcare Services Private Limited ("Centralab") for a cash consideration of Rs. 63,142 Lakhs as per the terms and conditions of the Share Purchase Agreement including amendments thereof entered between the Company and Hitech. Post completion of the aforesaid acquisition, "Hitech" and "Centralab" has become wholly owned subsidiary and step down subsidiary respectively of the Company.
- b) The Board of Directors of the Company, at their meeting held on February 11, 2022, accorded in-principle approval for the voluntary liquidation of Dr. Ganesan's Hitech Diagnostic Centre Private Limited ('Hitech'), a wholly owned subsidiary of the Company, to be carried out under the provisions of Insolvency and Bankruptcy Code, 2016. The Board of Directors of Hitech in their meeting dated April 01, 2022 and the members of Hitech in their Extra Ordinary General meeting held on April 01, 2022 have accorded their approval for consolidation of the business of Hitech through voluntary liquidation process. Pursuant to the ongoing liquidation process, the liquidator of Hitech has transferred the entire business undertaking to the Company on a going concern basis on and with effect from June 04, 2022.
- c) Accordingly, the Company has given effect of the liquidation as per the requirements of Appendix C to Ind AS 103 "Business Combination", to as if it had occurred from the beginning of the preceding period (i.e. October 22, 2021) and accordingly preceding period figures (i.e March 31, 2022) have been revised.
- d) Accounting treatment
 - i. The Transferee Company has recorded all the assets, liabilities and reserves of the Transferor Company, at their carrying values and in the same form as appearing in the consolidated financial statement of the Transferor Company as on the Appointed Date, by applying the principles as set out in Appendix C of IND AS 103 'Business Combinations' read with ITFG Bulletin 9; Issue 2; Situation B and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.
 - ii. The financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.
 - iii. Any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company, if any, ipso facto, stand discharged and come to end and the same is eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
 - iv. Investments in shares of the Transferor Company held by the Transferee Company have been adjusted against Share Capital of the Transferor Company and the difference, between cost of investment of the Transferor Company in the books of the Transferee Company has been adjusted against balance of reserves and surplus of the Transferee Company post-liquidation.
 - v. The identity of the reserves has been preserved and appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.

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

e) Details of net assets acquired:

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

(Rs. in Lakhs)

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

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

60. ACCOUNTING RATIOS

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



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

Definitions:

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

Note:

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

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

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

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

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai

INDEPENDENT AUDITOR'S 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"), which comprise the consolidated balance sheet as at March 31, 2023, 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 ended March 31, 2023, 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 the 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 as at March 31, 2023, 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 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 reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTER

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.

Impairment assessment of Goodwill and Indefinite life intangible asset

See Note 4 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>As disclosed in note 4, The Group's consolidated financial statements includes Goodwill aggregating Rs.45,468.37 lakhs pertaining to past acquisitions/ amalgamations. Further, the Group's consolidated financial statements also includes intangible assets with indefinite life ('Brand') aggregating Rs.29,387.00 lakhs, which was acquired pursuant to acquisition of Dr. Ganesan's Hitech Diagnostic Centre Private Limited, which together represents 50% of total assets of the Group as at March 31, 2023.</p> <p>Group tests goodwill and indefinite life intangible asset for impairment annually, or more frequently when there is an indication, the cash generating unit to which goodwill and indefinite life intangible asset has been allocated may be impaired</p> <p>The recoverable value of the CGU which is based on the value in use model, has been derived from discounted forecast cash flow model.</p> <p>We identified the assessment of impairment indicators in respect of goodwill and indefinite life intangible asset as a key audit matter considering:</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Understanding the process followed by the group in respect of the annual impairment analysis. Evaluating the design and implementation and testing the operating effectiveness of key internal controls related to the group process of performing impairment assessment, including controls over determination of discount rate and terminal growth rate. Challenging the reasonableness of the assumptions, particularly forecasted revenue growth rate and related costs based on our knowledge of the group and market. Assessing historical accuracy by comparing past forecasts to actual results achieved. Involving valuation professionals with specialised skills and knowledge to assist in evaluating the impairment model used and assumptions including discount rate and terminal growth rate applied by the group by comparing it to a range of rates that were independently developed using publicly available market indices and market data for comparable entities.

INDEPENDENT AUDITOR'S REPORT (Contd.)

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> ● The significance of the value of goodwill and indefinite life intangible asset in the Consolidated Balance Sheet. ● The degree of judgement involved in determining the recoverable amount of goodwill and indefinite life intangible asset including: <ul style="list-style-type: none"> i. Valuation assumptions such as discount rate and terminal growth rate. ii. Business assumptions such as revenue growth rate, related costs and the resultant cash flows projected to be generated from the above. 	<ul style="list-style-type: none"> ● Testing data used to develop the estimate for completeness and accuracy. ● Performing a sensitivity analysis to evaluate the impact of change in key assumption individually or collectively to the recoverable value. ● Assessing the adequacy of disclosures in the revised consolidated financial statements.

OTHER INFORMATION

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of 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 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 statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements 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 paragraph (a) of the section titled "Other Matters" in this audit report.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

- a. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 9,243.29 lakhs as at March 31, 2023, total revenues (before consolidation adjustments) of Rs. 8,336.24 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 185.25 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 reports of the other auditors.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 matter with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, 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:
 - 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, except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis during 11 August 2022 till 29 March 2023.
 - c. The 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 March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the paragraph (a) of the "Other Matters" paragraph:
 - a. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group. Refer Note 46 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2023.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company incorporated in India during the year ended March 31, 2023.
 - d. (i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of its knowledge and belief, as disclosed in the Note 60 to the consolidated financial statements, no

INDEPENDENT AUDITOR'S REPORT (Contd.)

funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of the subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of the subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of its knowledge and belief, as disclosed in the Note 60 to the consolidated financial statements, no funds have been received by the Holding Company or any of the subsidiary companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of the subsidiary companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The interim dividend declared and paid by the Holding Company and its subsidiary company incorporated in India during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of the subsidiary companies incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of such subsidiary company incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies incorporated in India 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 and its subsidiary companies incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**

Chartered Accountants

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

Sd/-

Tarun Kingor

Partner

Membership No.: 105003

ICAI UDIN: 23105003BGYDKU1452

Place: Mumbai

Date: 16 May 2023



ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF METROPOLIS HEALTHCARE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

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

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has unfavourable remark, qualification or adverse remark in the report under the Companies (Auditor's Report) Order, 2020 (CARO), which have been reproduced as per the requirements of the Guidance note on CARO:

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Amins Pathology Laboratory Private Limited	U52300MH2012PTC236779	Subsidiary	(vii)(a)

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

Chartered Accountants

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

Sd/-

Tarun Kinger

Partner

Membership No.: 105003

ICAI UDIN: 23105003BGYDKU1452

Place: Mumbai

Date: 16 May 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF METROPOLIS HEALTHCARE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

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 ACT

(Referred to in paragraph 2(A)(g) 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 Metropolis Healthcare Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditor, 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 financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by 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 AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

Place: Mumbai
Date: 16 May 2023

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

Sd/-
Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN: 23105003BGYDKU1452

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	13,724.60	13,923.39
Right of use assets	38	17,339.93	10,949.17
Goodwill	4	45,468.37	45,468.37
Other intangible assets	4	35,533.84	35,552.21
Intangible assets under development	4	1,951.18	577.65
Financial Assets			
i. Investments	5	175.28	175.28
ii. Other financial assets	6	1,663.78	3,474.91
Non-current tax assets (Net)	7	3,286.77	2,583.41
Deferred tax assets (Net)	36 (iv)	689.65	978.37
Other non-current assets	8	54.06	34.53
Total Non-current assets		1,19,887.46	1,13,717.29
Current assets			
Inventories	9	4,459.13	5,110.63
Financial Assets			
i. Investments	10	1,306.14	1,375.42
ii. Trade receivables	11	12,188.76	13,548.78
iii. Cash and cash equivalents	12	6,883.32	6,598.04
iv. Bank balances other than cash and cash equivalents	13	2,436.14	10,095.63
v. Loans	14	-	5.42
vi. Other financial assets	15	1,405.60	1,147.35
Other current assets	16	1,594.35	1,430.89
Total Current assets		30,273.44	39,312.16
TOTAL ASSETS		1,50,160.90	1,53,029.45
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,024.21	1,023.44
Other equity	18	97,799.02	87,596.34
Equity attributable to owners of the Company		98,823.23	88,619.78
Non-controlling interests		247.85	196.85
Total Equity		99,071.08	88,816.63
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	2,861.42	15,867.72
ii. Lease Liabilities	38	12,550.13	8,262.44
iii. Other financial liabilities	20	54.95	89.43
Provisions	21A	1,302.02	1,171.36
Deferred tax liabilities (net)	36 (iv)	7,824.21	8,666.91
Total non-current liabilities		24,592.73	34,057.86
Current liabilities			
Financial liabilities			
i. Borrowings	22	5,043.81	9,986.81
ii. Lease Liabilities	38	6,183.09	3,738.64
iii. Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	23	184.26	136.33
- Total outstanding dues of creditors other than micro enterprises and small enterprises	23	9,223.93	10,184.47
iv. Other financial liabilities	24	2,012.29	2,368.37
Other current liabilities	25	1,956.35	2,318.87
Provisions	21B	958.66	886.00
Current tax liabilities (net)	26	934.70	535.47
Total current liabilities		26,497.09	30,154.96
TOTAL EQUITY AND LIABILITIES		1,50,160.90	1,53,029.45

Basis of preparation, measurement and significant accounting policies

2

The accompanying notes 1 to 63 are 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's Registration No: 101248W/W-100022

Sd/-
Tarun Kinger
Partner
Membership No: 105003

Place: Mumbai
Date: May 16, 2023

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

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

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

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

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	27	1,14,821.02	1,22,833.60
Other income	28	1,522.46	1,762.30
Total Income		1,16,343.48	1,24,595.90
Expenses			
Cost of materials consumed	29	25,326.40	27,602.19
Laboratory testing charges	30	657.09	690.72
Employee benefits expense	31	25,273.41	23,317.33
Finance costs	32	2,680.15	1,974.20
Depreciation and amortization expense	33	8,921.56	6,322.28
Other expenses	34	34,734.53	36,944.22
Total Expenses		97,593.14	96,850.94
Profit before exceptional items and tax		18,750.34	27,744.96
Exceptional items (Income)	35	-	(1,590.15)
Profit before tax		18,750.34	29,335.11
Tax expenses:	36		
1. Current tax		5,127.43	6,989.23
2. Deferred tax (income) / expenses		(458.09)	1,006.12
3. Tax adjustments for earlier years		(258.40)	(128.85)
Total Tax expenses		4,410.94	7,866.50
Profit for the year		14,339.40	21,468.61
Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit and loss			
Remeasurements of the defined benefit plans	49 (a)	(219.94)	(128.18)
Income tax on above	36	55.36	32.85
		(164.58)	(95.33)
(ii) Items that will be subsequently reclassified to profit and loss			
Exchange differences in translating financial statements of foreign operations		129.74	(136.36)
		129.74	(136.36)
Other comprehensive income for the year, net of tax		(34.84)	(231.69)
Total comprehensive income for the year		14,304.56	21,236.92
Profit attributable to:			
Owners of the Company		14,288.26	21,418.21
Non-controlling interest		51.14	50.40
Other comprehensive income attributable to:			
Owners of the Company		(34.70)	(231.67)
Non-controlling interest		(0.14)	(0.02)
Total comprehensive income attributable to:			
Owners of the Company		14,253.56	21,186.54
Non-controlling interest		51.00	50.38
Earnings per equity share			
Equity shares of face value of Rs. 2 each			
Basic earnings per share (Rs.)	37	27.91	41.87
Diluted earnings per share (Rs.)	37	27.81	41.66

Basis of preparation, measurement and significant accounting policies 2

The accompanying notes 1 to 63 are 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's Registration No: 101248W/W-100022

Sd/-
Tarun Kinger
Partner
Membership No: 105003

Place: Mumbai
Date: May 16, 2023

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

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

Sd/-
Surendran Chemmenkotil
Chief Executive Officer
Place : Mumbai

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

Sd/-
Rakesh Agarwal
Chief Financial Officer
Place : Mumbai

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
A. Cash Flow from Operating Activities		
Profit before tax	18,750.34	29,335.11
Adjustments for :		
Depreciation and amortization expense	8,921.56	6,322.28
(Profit) / Loss on sale of property plant and equipments (net)	(0.77)	1.58
Sundry balances written back	(399.98)	(1.47)
Reversal of provision for impairment of non-current investments	-	(0.61)
(Reversal) for bad and doubtful debts (net)	(223.61)	(284.77)
Provision for bad and doubtful advances (net)	-	1.90
Foreign exchange loss / (gain) (net)	18.37	61.11
Share based payments expenses (Refer note 31)	28.51	685.72
Credit impaired trade receivables written off	6.39	-
Interest income	(515.07)	(1,253.02)
Interest income on income tax refund	(55.71)	(3.82)
Impairment of Goodwill	-	18.78
Changes in fair value of current investments	(67.81)	(41.97)
Reversal of provision no longer required	-	(1,600.00)
Write off of property plants and equipments	13.50	3.40
Interest expenses on borrowings	1,011.55	900.98
Interest on deferred purchase consideration	9.92	29.73
Interest on lease liabilities	1,658.68	1,043.49
Cash generated from operations before working capital changes	29,155.87	35,218.41
Working capital adjustments:		
Decrease in loans	5.42	9.78
Decrease / (Increase) in inventories	651.50	(793.73)
Decrease in trade receivables	1,577.24	1,158.70
(Increase) in other assets (Current and non current)	(181.47)	(158.12)
(Increase) in other financial assets (Current and non current)	(108.29)	(1,340.00)
(Decrease) / Increase in provisions	(16.62)	333.11
(Decrease) in trade payables	(531.22)	(1,650.70)
(Decrease) in other financial liabilities	(322.95)	(26.50)
(Decrease) / Increase in other liabilities	(362.52)	827.66
Cash generated from operating activities	29,866.96	33,578.61
Income taxes (paid) (net)	(5,157.98)	(8,251.15)
Net cash generated from operating activities (A)	24,708.98	25,327.46
B. Cash flows from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(5,263.35)	(3,066.25)
Proceeds from sale of property, plant and equipment	14.93	-
Deferred purchase consideration paid	(45.06)	(650.94)
Purchase of current investments	(25,525.00)	(499.75)
Proceeds from sale of current investments	25,662.19	-
Investment in subsidiaries	-	(63,142.00)
Interest received	650.07	1,106.15
Net investments in term deposits (having original maturity of more than three months)	9,185.66	(7,504.63)
Net cash genrated from / (used in) investing activities (B)	4,679.44	(73,757.42)



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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
C. Cash Flow from Financing Activities		
Proceeds from Issue of Share to ESOP holders(Refer note 49 (c))	18.36	197.46
Proceeds from borrowings	-	60,000.00
Repayment of borrowings	(17,886.68)	(34,153.47)
Principal payment of lease liabilities	(4,535.31)	(3,753.33)
Interest paid on lease liabilities	(1,658.68)	(1,043.49)
Payment of dividend	(4,096.85)	(4,093.77)
Acquisition of non-controlling interests	-	(0.33)
Payment of upfront fees on borrowings	-	(106.08)
Interest paid on borrowing	(1,073.72)	(794.89)
Net cash (used in) / generated from Financing activities (C)	(29,232.88)	16,252.10
Net Increase / (Decrease) in cash and cash equivalents (A) + (B) + (C)	155.54	(32,177.86)
Effect of exchange rate changes on cash and cash equivalents	129.74	(136.36)
Net Increase / (Decrease) in cash and cash equivalents	285.28	(32,314.22)
Cash and Cash Equivalents at the beginning of the year (Refer note 12)	6,598.04	38,659.34
Add: Cash acquired under Business combination	-	252.92
Cash and Cash Equivalents at the end of the year (Refer note 12)	6,883.32	6,598.04

Notes:

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

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

Particulars	March 31, 2022	Cash flows	Non cash changes	March 31, 2023
Long term borrowings	15,867.72	(13,006.30)	-	2,861.42
Short term borrowings	9,986.81	(4,943.00)	-	5,043.81
Total borrowings	25,854.53	(17,949.30)	-	7,905.23

The accompanying notes 1 to 63 are 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's Registration No: 101248W/W-100022

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ('SOCIE')

FOR THE YEAR ENDED MARCH 31, 2023

A. Changes in Equity Share Capital (Refer note 17)

	Number of shares	Amount (Rs. in Lakhs)
Equity Share Capital		
Balance as at April 01, 2021	5,11,16,813	1,022.33
Changes in equity share capital due to prior period errors	-	-
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 49 (c))	55,306	1.11
Balance as at March 31, 2022	5,11,72,119	1,023.44
Changes in equity share capital due to prior period errors	-	-
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 49 (c))	38,545	0.77
Balance as at March 31, 2023	5,12,10,664	1,024.21

B. Other Equity (Refer note 18)

Particulars	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			
Balance as at March 31, 2021	15,308.22	0.33	2,008.61	69.13	852.26	51,120.62	278.54	69,637.71	146.47	69,784.18
Restated balance as at April 01, 2021*	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	21,418.20	-	21,418.20	50.40	21,468.60
Other comprehensive income	-	-	-	-	-	(95.33)	-	(95.33)	(0.02)	(95.35)
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	(147.21)	(147.21)	-	(147.21)
Transfer of business combination	135.59	-	-	-	-	(140.92)	-	(5.33)	-	(5.33)
Total comprehensive income	135.59	-	-	-	-	21,181.95	(147.21)	21,170.33	50.38	21,220.71
Interim dividend	-	-	-	-	-	(4,093.77)	-	(4,093.77)	-	(4,093.77)
Share options exercised under Metropolis Employee Stock Option Scheme 2007 (Refer note 49 (c))	196.35	-	358.48	-	(358.48)	-	-	196.35	-	196.35
Share based payments (Refer note 31)	-	-	-	-	685.72	-	-	685.72	-	685.72
Balance as at March 31, 2022	15,640.16	0.33	2,367.09	69.13	1,179.50	68,208.80	131.33	87,596.34	196.85	87,793.19



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

Particulars	Reserves & Surplus						Other com- prehensive income	Total other Equity attributable to owners of Company	Non- controlling Interest	Total other equity
	Securities premium	Capital redemp- tion reserve	General reserve	Capital reserve	Employee stock options reserve	Retained earnings	Foreign Currency Translation reserves			
Balance as at April 01, 2022	15,640.16	0.33	2,367.09	69.13	1,179.50	68,208.80	131.33	87,596.33	196.85	87,793.18
Profit for the year	-	-	-	-	-	14,288.26	-	14,288.26	51.14	14,339.40
Other comprehensive income	-	-	-	-	-	(164.58)	-	(164.58)	(0.14)	(164.72)
Transfer of business combination	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	15,640.16	0.33	2,367.09	69.13	1,179.50	82,332.48	131.33	1,01,720.01	247.85	1,01,967.86
Interim dividend						(4,096.85)		(4,096.85)		(4,096.85)
Share options exercised under Metropolis Employee Stock Option Scheme 2007 (Refer note)	17.59	-	473.27	-	(473.27)	-	-	17.59	-	17.59
Share based payments (Refer note 31)	-	-	-	-	28.51	-	-	28.51	-	28.51
Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-	129.74	129.74	-	129.74
Debt instruments fair valued through other comprehensive income	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	15,657.75	0.33	2,840.36	69.13	734.74	78,235.64	261.07	97,799.02	247.85	98,046.85

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

Refer Note 18 for nature and purpose of reserves

The accompanying notes 1 to 63 are 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's Registration No: 101248W/W-100022

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

1. BACKGROUND OF THE COMPANY AND NATURE OF OPERATION

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

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

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and measurement

a Statement of compliance:

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

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

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

The consolidated financial statements were authorised for issue by the Company's Board of Director on May 16, 2023.

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

b Current vs non-current classification:

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

Assets:

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

- it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the reporting date; or
- 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:

- it is expected to be settled in the group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- 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 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 Basis of measurement

These consolidated 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:

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

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

d Key estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgements are :

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

e 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).

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 recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

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

- Financial instruments (Note 39)
- Share-based payment arrangements (Note 49 (c))
- Business combination

2.2 Significant accounting policies

a) Business combinations

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

Transaction costs are expensed in the consolidated statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity. Any contingent consideration payable is measured at fair value at the acquisition date.

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

Subsequent changes in the fair value of contingent consideration are recognised in the consolidated statement of profit and loss.

Common Control:

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

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

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee company.

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

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

b) Property plant and equipment

Recognition and measurement:

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

Freehold land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, (after deducting trade discounts and rebates), any directly attributable costs of bringing the asset to its working condition for its

intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

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

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

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

Depreciation:

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

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.

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 MARCH 31, 2023 (Contd.)

c) Intangible assets

Goodwill

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

Other Intangible assets:

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

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

Amortization:

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

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

Computer software - 5 years

Brand - 10 years

Customer relationship - 5-8 years

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

d) Impairment of non-financial assets

The 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 such as call options to buy out stake in subsidiary.

1 Financial assets

Initial recognition and measurement

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

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

Subsequent measurement

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

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

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

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

Amortised cost :

A financial instrument is measured at the amortised 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 recognised in the consolidated statement of profit and loss. Interest income (basis EIR method), from financial assets at fair value through profit or loss is recognised in the statement of profit and loss within finance income/ finance costs separately from the other gains/ losses arising from changes in the fair value.

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

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

Fair value through Other Comprehensive Income ('FVOCI')

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

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

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

After initial measurement, these assets are subsequently measured at fair value. Dividends, Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognised (i.e. removed from the 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 equity instruments (measured at FVTPL) and debt instruments (other than debt instruments measured at FVOCI) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition.

Impairment of financial assets

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

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets, the loss allowance is measured at 12 month ECL only if there is no significant

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

deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

2 Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

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

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

Financial Liabilities at amortised cost:

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

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

Derecognition

A financial liability is derecognised when the obligation under the contract is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of

a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments

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

Offsetting of financial instruments

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

f) Investments in subsidiaries and joint ventures:

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

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

g) Borrowings

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

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference

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

between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

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

h) Borrowing costs

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

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

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

i) Inventories

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

j) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet and cash flow statement includes cash at bank and on hand, deposits held at call with banks, with original maturities less than three months which

are readily convertible into cash and which are subject to insignificant risk of changes in value.

k) Provisions, Contingent Liabilities and Contingent Assets

A provision is 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 financial statements where an inflow of economic benefit is probable.

l) Revenue Recognition

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

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, reversals and discounts;

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

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

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.

m) Other income

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the 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

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

n) Employee Benefits

(i) Short-term Employee benefits

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

A liability is recognised for the amount expected to be paid if the 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 recognised as an employee expense, with a corresponding increase

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

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the 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.

(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 recognised 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.

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

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

o) Leases

Group as a lessee

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

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

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

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

To determine the incremental borrowing rate, the group:

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

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

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

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

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

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

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

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

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

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

payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a discount rate is used).

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the lease payments using a discount rate.

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

p) **Income-tax**

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

Current Tax

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

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

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

Deferred Tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be 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.

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

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

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

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

q) **Foreign currency transactions**

Functional and Presentation currency

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

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

Transactions and balances

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

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

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

r) Dividend

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

s) Earnings per share:

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

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

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

t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) as defined in Ind AS-108 'Operating Segments' for allocating resources and assessing performance.

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

u) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (MCA), vide notification dated March 31, 2023, has made the following amendments to Ind AS which are effective April 01, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

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

v) Rounding off amounts

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

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

3. PROPERTY, PLANT AND EQUIPMENT

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

(Rs. in Lakhs)

Particulars	Freehold land	Building	Leasehold improvement	Furniture & fixtures	Laboratory equipments	Office equipment	Computers	Vehicles	Total
Gross Block (at cost) as at April 01, 2022	1,035.40	5,796.86	1,099.89	2,538.62	9,310.02	2,182.59	1,643.62	427.22	24,034.22
Additions during the year	-	299.40	316.74	144.23	695.49	387.84	589.37	17.44	2,450.51
Disposals during the year	-	(0.81)	(0.74)	(3.46)	(16.87)	(8.99)	(1.43)	(1.08)	(33.38)
Exchange differences on translation of foreign operations	-	(9.97)	4.11	19.13	55.00	(6.05)	21.81	(2.87)	81.16
Gross Block (at cost) as at March 31, 2023 (A)	1,035.40	6,085.48	1,420.00	2,698.52	10,043.64	2,555.39	2,253.37	440.71	26,532.51
Accumulated depreciation as at April 01, 2022	-	1,382.94	795.25	1,158.64	4,293.13	1,343.06	850.24	287.57	10,110.83
Depreciation charged during the year	-	238.20	151.50	234.42	1,117.78	392.90	423.30	36.70	2,594.80
Disposals during the year	-	-	-	-	(11.41)	(7.40)	-	(0.42)	(19.23)
Exchange differences on translation of foreign operations	-	(2.49)	1.46	20.49	81.30	(1.49)	22.96	(0.72)	121.51
Accumulated depreciation as at March 31, 2023 (B)	-	1,618.66	948.21	1,413.54	5,480.80	1,727.07	1,296.50	323.13	12,807.91
Net carrying amount as at March 31, 2023 (A) - (B)	1,035.40	4,466.82	471.80	1,284.97	4,562.84	828.32	956.88	117.57	13,724.60

Note :

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

b Details of benami property held:

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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

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

(Rs. in Lakhs)

Particulars	Freehold land	Building	Leasehold improvement	Furniture & fixtures	Laboratory equipments	Office equipment	Computers	Vehicles	Total
Gross Block (at cost) as at April 01, 2021	1,035.40	5,307.78	901.55	1,963.03	6,753.24	1,590.98	1,024.95	371.13	18,948.06
Additions during the year	-	505.35	113.26	431.69	1,194.87	434.35	595.67	31.60	3,306.79
Additions on account of business combination- refer note 58	-	-	84.31	160.25	1,403.69	160.77	76.34	35.95	1,921.31
Disposals during the year	-	-	0.00	(2.54)	(7.66)	(3.07)	(49.04)	(4.69)	(67.00)
Exchange differences on translation of foreign operations	-	(16.27)	0.77	(13.82)	(34.12)	(0.44)	(4.30)	(6.77)	(74.95)
Gross Block (at cost) as at March 31, 2022 (A)	1,035.40	5,796.86	1,099.89	2,538.62	9,310.02	2,182.59	1,643.62	427.22	24,034.22
Accumulated depreciation as at April 01, 2021	-	1,174.93	576.38	921.90	2,897.43	969.18	650.28	244.47	7,434.57
Additions on account of business combination- refer note 58	-	-	57.30	56.95	418.40	103.17	42.15	12.25	690.22
Depreciation charged during the year	-	212.23	161.48	189.94	1,005.73	273.88	208.18	38.74	2,090.18
Disposals during the year	-	-	-	(2.13)	(7.17)	(2.93)	(46.39)	(2.68)	(61.30)
Exchange differences on translation of foreign operations	-	(4.22)	0.09	(8.02)	(21.26)	(0.24)	(3.98)	(5.21)	(42.84)
Accumulated depreciation as at March 31, 2022 (B)	-	1,382.94	795.25	1,158.64	4,293.13	1,343.06	850.24	287.57	10,110.83
Net carrying amount as at March 31, 2022 (A) - (B)	1,035.40	4,413.92	304.64	1,379.98	5,016.89	839.53	793.38	139.65	13,923.39

Note :

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

b Details of benami property held:

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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

4. OTHER INTANGIBLE ASSETS

Changes in the carrying value of intangible assets for the year ended March 31, 2023:

(Rs. in Lakhs)

Particulars	Other Intangible Assets						
	Goodwill	Total	Computer Software	Brand name	Customer Relationships	Non compete fees	Total other intangible assets
Gross Block (at cost) as at April 01, 2022	45,743.36	45,743.36	3,913.75	30,842.51	521.04	3,230.19	38,507.49
Additions during the year	-	-	1,428.74	-	-	-	1,428.74
Disposals during the year	-	-	(0.12)	-	-	-	(0.12)
Exchange differences on translation of foreign operations	-	-	0.64	-	-	-	0.64
Gross Block (at cost) as at March 31, 2023 (A)	45,743.36	45,743.36	5,343.01	30,842.51	521.04	3,230.19	39,936.75
Accumulated amortization as at April 01, 2022	274.99	274.99	1,686.67	675.88	416.02	176.69	2,955.26
Amortization recognized for the year	-	-	858.89	145.55	42.01	403.63	1,450.08
Disposals during the year	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	(2.43)	-	-	-	(2.43)
Accumulated amortization as at March 31, 2023 (B)	274.99	274.99	2,543.14	821.43	458.03	580.32	4,402.91
Net carrying amount as at March 31, 2023 (A) - (B)	45,468.37	45,468.37	2,799.87	30,021.08	63.01	2,649.87	35,533.84

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

(Rs. in Lakhs)

Particulars	Other Intangible Assets						
	Goodwill	Total	Computer Software	Brand name	Customer Relationships	Non compete fees	Total other intangible assets
Gross Block (at cost) as at April 01, 2021	9,300.04	9,300.04	3,297.43	1,455.51	521.04	-	5,273.98
Additions during the year	-	-	583.55	-	-	-	583.55
Additions on account of business combination- refer note 61	36,445.60	36,445.60	32.77	29,387.00	-	3,229.00	32,648.77
Disposals during the year	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	(2.28)	(2.28)	-	-	-	1.19	1.19
Gross Block (at cost) as at March 31, 2022 (A)	45,743.36	45,743.36	3,913.75	30,842.51	521.04	3,230.19	38,507.47
Accumulated amortization as at April 01, 2021	274.99	274.99	962.18	530.33	322.16	-	1,814.67
Amortization recognized for the year	-	-	701.25	145.55	93.86	176.69	1,117.35
Additions on account of business combination- refer note 61	-	-	23.26	-	-	-	23.26
Disposals during the year	-	-	-	-	-	-	-
Impairment during the year	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	(0.02)	-	-	-	(0.02)
Accumulated amortization as at March 31, 2022 (B)	274.99	274.99	1,686.67	675.88	416.02	176.69	2,955.26
Net carrying amount as at March 31, 2022 (A) - (B)	45,468.37	45,468.37	2,227.08	30,166.63	105.02	3,053.50	35,552.21

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

Intangible assets under development

(Rs. in Lakhs)

Particulars	Amount
Opening as at April 01, 2021	-
Addition	1,142.53
Capitalized during the year	564.88
Closing amount as at March 31, 2022	577.65
Addition	1,373.53
Capitalized during the year	-
Closing amount as at March 31, 2023	1,951.18

(a) Intangible Asset under Development (IAUD) Ageing Schedule

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,373.53	577.65	-	-	1,951.18
Projects temporarily suspended	-	-	-	-	-
Total	1,373.53	577.65	-	-	1,951.18

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

Particulars	Amount in IAUD for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
CRM implementation Project	1,263.53	577.65	-	-	1,841.18
Total	1,263.53	577.65	-	-	1,841.18

Ageing Schedule as at March 31, 2023

(Rs. in Lakhs)

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

- (b)** There are no such Intangible Assets under Development, whose project costs which have exceeded their original plan cost as at March 31, 2023 and as at March 31, 2022.



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

Impairment

Carrying amount of goodwill which is allocated to the pathology division as at March 31, 2023 is Rs. 45,468.37 Lakhs (March 31, 2022 is Rs.45,468.37 Lakhs). This goodwill is acquired on account of business acquisition and on consolidation of subsidiaries.

For the purpose of impairment testing, goodwill recognised is allocated to the cash generating units (CGU), which benefit from the synergies of the acquisition.

(Rs. in Lakhs)

Entity	March 31, 2023	March 31, 2022
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	2,010.83
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	271.75	271.75
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
Dr. Ganesan's Hitech Diagnostic Centre Private Limited	36,445.60	36,445.60
Total	45,468.37	45,468.37

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

* EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortization.

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Post tax risk adjusted discount rate	12.4%-27%	12.50%
Terminal value growth rate	5.00%	5.00%
Budgeted EBITDA growth rate	2% - 45%	1% - 21%

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

As at March 31, 2023 and as at March 31, 2022, the estimated 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. NON-CURRENT INVESTMENTS

(Rs. in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Unquoted equity shares at Fair Value through Other comprehensive income		
Centre for Digestive and Kidney Disease Private Limited	175.00	175.00
1,750,000 (March 31, 2022: 1,750,000) Equity shares (Face value of Rs. 10 each fully paid up)		
Textiles Traders Co-operative Bank Limited	0.28	0.28
1,100 (March 31, 2022: 1,100) Equity shares (Face value of Rs. 25 each fully paid up)		
Unquoted equity shares at cost		
Star Metropolis Health Services Middle East LLC, Dubai	129.85	129.85
1,020 (March 31, 2022: 1,020) Equity shares of AED of 1,000 each (Fully Paid up) (Refer note 53)		
Total	305.13	305.13
Less : Provision for impairment - Star Metropolis Health Services Middle East LLC, Dubai	(129.85)	(129.85)
Total	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	305.13	305.13
Aggregate amount of impairment in value of investments	129.85	129.85

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**6. OTHER FINANCIAL ASSETS**

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
<i>(Unsecured, considered good)</i>		
Security deposits	1,419.03	1,655.25
Interest accrued but not due on Bank deposits		
Other Advance		
Fixed Deposits with banks^ (with remaining maturity of more than 12 months)	104.71	1,630.88
Other advances	140.04	188.78
Total	1,663.78	3,474.91
<i>(Unsecured, considered doubtful)</i>		
- credit impaired		
Security deposits	78.26	86.28
Other advances	79.39	-
	157.66	86.28
Less : Allowance for credit impairment	(157.66)	(86.28)
Total	1,663.78	3,474.91

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

The movement in allowance for credit impairment is as follows:

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Opening balance	86.28	87.98
Change in allowance for credit impairment of security deposits during the year	71.38	(1.70)
Written off during the year	-	-
Closing balance	157.66	86.28

7. NON-CURRENT TAX ASSETS (NET)

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Advance taxes (net of provision for taxes Rs. 17,762.87 Lakhs (March 31, 2022 Rs. 16,208.51 Lakhs))	3,169.53	2,470.32
Withholding Tax	117.24	113.09
Total	3,286.77	2,583.41

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

8. OTHER NON-CURRENT ASSETS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
<i>(Unsecured, considered good)</i>		
Capital advances	27.03	25.51
Prepaid expenses	27.03	9.02
Total	54.06	34.53
<i>(Unsecured, considered doubtful)</i>		
Capital advances		
- credit impaired	34.86	34.86
	34.86	34.86
Less : Allowance for credit impairment	(34.86)	(34.86)
Total	54.06	34.53
The movement in allowance for credit impairment is as follows:		
Opening balance	34.86	34.86
Change in allowance for credit impairment of capital advances during the year	-	-
Written off during the year	-	-
Closing balance	34.86	34.86

9. INVENTORIES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
<i>(valued at lower of cost and net realisable value)</i>		
Raw materials (Reagents, chemicals, diagnostic kits, medicines and consumables etc.)	4,444.38	5,036.10
Stock-in-trade	14.75	74.53
Total	4,459.13	5,110.63

10. CURRENT INVESTMENTS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
(Unquoted at Fair Value through Profit or Loss)		
i) Investments in mutual funds		
Birla Sun Life Cash Plus Growth - NIL (March 31, 2022 - 7,473.38) Units of Face Value Rs. 100 each	-	25.44
Birla Sunlife Life Income Plus (Growth) - NIL (March 31, 2022: 192,079) Units of Rs. 100 each	-	197.74
DSP BlackRock liquidity Fund- NIL (March 31, 2022: 12999.25) Units of Rs. 100 each	-	381.54
HDFC Cash Management Fund - Saving plan - NIL (March 31, 2022: 318.96) Units of Rs. 1,000 each	-	14.64
IDFC Super Saver Income Fund - Investment Plan - Growth - NIL (March 31, 2022: 247,116) Units of Rs.100 each	-	94.10
Kotak Bond Plan A (Growth) - NIL (March 31, 2022: 242,270) Units of Rs. 100 each	-	152.41
Aditya Birla Sun Life Overnight fund growth - Regular Plan - 108,141.59 (March 31, 2022 22,182.086) Units of Face Value Rs. 100 each	1,304.40	253.96
Aditya Birla Sun Life Liquid fund growth - Regular Plan - 14.945 (March 31, 2022 14.945) Units of Face Value Rs. 100 each	0.05	0.05



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

	March 31, 2023	March 31, 2022
HDFC Overnight fund - Regular Plan - Growth - 44.431 (March 31, 2022 8,097.110) Units of Face Value Rs.100 each	1.49	253.93
HDFC Liquid fund - Regular Plan - Growth - 1.225 (March 31, 2022 1.225) Units of Face Value Rs.100 each	0.05	0.05
HDFC Overnight fund - Direct Plan - Growth Option - NIL (March 31, 2022 44.431) Units of Face Value Rs.100 each	-	1.40
ICICI Liquid fund - Regular Plan - Growth - 16.243 (March 31, 2022 16.243) Units of Face Value Rs.100 each	0.05	0.05
SBI Overnight fund - Regular Plan - Growth - 1.484 (March 31, 2022 1.484) Units of Face Value Rs.100 each	0.05	0.05
SBI Overnight fund - Regular Plan - Growth - 1.537 (March 31, 2022 1.537) Units of Face Value Rs.100 each	0.05	0.05
Total	1,306.14	1,375.42
ii) Investments in Commercial Papers		
Infrastructure Leasing & Financial Services Limited 100 (March 31, 2022 - 100) Units of Face Value Rs.5,00,000 each	480.68	480.68
	480.68	480.68
Less : Provision for impairment	(480.68)	(480.68)
Total	1,306.14	1,375.42
The aggregate amount and market value of quoted and unquoted non-current investments are as follows:		
Aggregate amount of quoted investments	1,786.82	1,856.10
Aggregate amount of impairment in value of investments	480.68	480.68

11. TRADE RECEIVABLES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured	13,205.70	14,587.60
Less: Allowance for expected credit loss	(1,016.94)	(1,038.82)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	981.71	1,353.50
Less: Allowance for credit impairment	(981.71)	(1,353.50)
Total	12,188.76	13,548.78

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

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	4,461.97	5,929.25	841.82	1,277.63	387.92	307.10	13,205.70
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	12.21	8.02	27.58	5.71	183.95	744.24	981.71
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total (A)	4,474.18	5,937.27	869.40	1,283.34	571.87	1,051.34	14,187.41
Allowance for expected credit loss							1,016.94
Allowance for credit impairment							981.71
Total (B)							1,998.65
Total (A) - (B)							12,188.76

As at March 31, 2022

(Rs. in Lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	3,711.52	8,267.95	1,511.31	850.24	163.98	82.60	14,587.60
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	27.81	169.47	190.31	196.00	0.25	769.66	1,353.50
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total (A)	3,739.32	8,437.42	1,701.62	1,046.24	164.23	852.26	15,941.10
Allowance for expected credit loss							1,038.82
Allowance for credit impairment							1,353.50
Total (B)							2,392.32
Total (A) - (B)							13,548.78

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

12. CASH AND CASH EQUIVALENTS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Cash on hand	123.92	167.41
Balances with banks		
- in current accounts	4,768.16	4,478.94
- in EEFC account	2.99	38.33
- in fixed deposits accounts with original maturity of less than 3 months	1,988.25	1,913.36
Total	6,883.32	6,598.04

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Investments in term deposits (with original maturity of more than three months but less than twelve months) *^	2,388.58	9,995.12
Other bank balance (other than above)	47.56	100.51
Total	2,436.14	10,095.63

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

14. CURRENT LOANS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
<i>(Unsecured, considered good)</i>		
Advance to employees	-	1.17
Other advances	-	4.25
Total	-	5.42
<i>(Unsecured, considered doubtful)</i>		
Advances to related parties (Refer note 40)	44.02	44.02
Other advances	42.33	44.89
	86.35	88.91
Less : Allowance for credit impairment	(86.35)	(88.91)
Total	-	5.42
The movement in allowance for credit impairment is as follows:		
Opening balance	88.91	90.18
Change in allowance for credit impairment during the year	(2.56)	(1.27)
Written off during the year	-	-
Closing balance	86.35	88.91

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

15. OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
<i>(Unsecured, considered good)</i>		
Security deposits	978.79	551.22
Interest accrued but not due		
- From bank deposits	-	135.00
Other receivables	426.81	461.13
Total	1,405.60	1,147.35

16. OTHER CURRENT ASSETS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
<i>(Unsecured, considered good)</i>		
Prepaid expenses	511.88	384.87
Advance to employees	72.38	163.73
Advance to suppliers	530.61	356.82
Balances with Government Authorities	94.03	87.03
Other advances (Retainership fees, etc)	385.45	438.44
Total	1,594.35	1,430.89
<i>(Unsecured, considered doubtful)</i>		
Advance to employees	3.90	45.96
Advance to suppliers	40.13	49.75
Other advances	2.29	244.97
	46.32	340.68
Less : Allowance for credit impairment	(46.32)	(340.68)
Total	1,594.35	1,430.89
The movement in allowance for credit impairment is as follows:		
Opening Balance	340.68	290.48
Change in allowance for credit impairment during the year	(294.36)	50.20
Written off during the year	-	-
Closing Balance	46.32	340.68

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**17. EQUITY SHARE CAPITAL****(a) Authorised share capital**

	March 31, 2023		March 31, 2022	
	Number of equity shares	Amount (Rs. in Lakhs)	Number of equity shares	Amount (Rs. in Lakhs)
Equity shares of the par value of Rs. 2 each (March 31, 2022 par value of Rs. 2 each)	31,93,04,015	6,386.08	31,93,04,015	6,386.08
	31,93,04,015	6,386.08	31,93,04,015	6,386.08

(b) Issued, subscribed and paid up

	March 31, 2023		March 31, 2022	
	Number of equity shares	Amount (Rs. in Lakhs)	Number of equity shares	Amount (Rs. in Lakhs)
Equity shares of the par value of Rs. 2 each (March 31, 2022 par value of Rs. 2 each)	5,12,10,664	1,024.21	5,11,72,119	1,023.44
	5,12,10,664	1,024.21	5,11,72,119	1,023.44

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

	March 31, 2023		March 31, 2022	
	Number of equity shares	Amount (Rs. in Lakhs)	Number of equity shares	Amount (Rs. in Lakhs)
Equity :				
Outstanding at the beginning of the year	5,11,72,119	1,023.44	5,11,16,813	1,022.33
Issued under Metropolis Employee Stock Option Scheme 2015 and Metropolis Restrictive Stock Unit Plan, 2020 (Refer note 49 (c))	38,545	0.77	55,306	1.11
Outstanding at the end of the year	5,12,10,664	1,024.21	5,11,72,119	1,023.44

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

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

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

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

(e) Details of shares held by promoters**As at March 31, 2023**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	25,97,325	(12,80,267)	13,17,058	2.57%	(49.29%)
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	36,83,760	12,80,266	49,64,026	9.69%	34.75%
Sushil Shah Family Trust	12,77,920	12,80,267	25,58,187	5.00%	100.18%
Duru Sushil Shah	20,45,925	(12,80,266)	7,65,659	1.50%	(62.58%)
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.64%	0.00%

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**
As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Sushil Kanubhai Shah	24,47,325	1,50,000	25,97,325	5.08%	6.13%
Ameera Sushil Shah	1,81,845	-	1,81,845	0.36%	0.00%
Duru Shah Family Trust	12,77,920	24,05,840	36,83,760	7.20%	188.26%
Sushil Shah Family Trust	12,77,920	-	12,77,920	2.50%	0.00%
Duru Sushil Shah	48,76,765	(28,30,840)	20,45,925	4.00%	(58.05%)
Metz Advisory LLP	1,56,91,216	-	1,56,91,216	30.66%	0.00%

(f) Terms/rights attached to equity shares :

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

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

(g) Dividends

(Rs. in Lakhs)

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

18. OTHER EQUITY

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Securities premium	15,657.75	15,640.16
Capital redemption reserve	0.33	0.33
General reserve	2,840.36	2,367.09
Capital reserve	69.13	69.13
Employee stock options reserve	734.74	1,179.50
Retained earnings	78,235.64	68,208.81
Foreign currency translation reserve	261.07	131.33
Total	97,799.02	87,596.34
Movement in balances of Other equity:		
Securities Premium		
Balance as at the beginning of the year	15,640.16	15,308.22
Transferred on account of business combination		135.59
Share options exercised under Metropolis Employee Stock Option Scheme 2007/2015 (Refer note 49 (c))	17.59	196.35
Balance as at the end of the year	15,657.75	15,640.16

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

Particulars	March 31, 2023	March 31, 2022
Capital redemption reserve		
Balance as at the beginning of the year	0.33	0.33
Utilised on issue of bonus shares	-	-
Balance as at the end of the year	0.33	0.33
General reserve		
Balance as at the beginning of the year	2,367.09	2,008.61
Transfer from ESOP exercised during the year (Refer note 49 (c))	473.27	358.48
Balance as at the end of the year	2,840.36	2,367.09
Capital reserve		
Balance as at the beginning of the year	69.13	69.13
Additions/Reductions during the year	-	-
Balance as at the end of the year	69.13	69.13
Employee stock options reserve		
Balance as at the beginning of the year	1,179.50	852.26
Transfer to General Reserve on account of ESOP exercised during the year (Refer note 49 (c))	(473.27)	(358.48)
Share based payments (Refer note 31)	28.51	685.72
Balance as at the end of the year	734.74	1,179.50
Retained earnings		
Balance as at the beginning of the year	68,208.81	51,120.62
Transferred from statement of profit and loss	14,288.25	21,418.21
Transfer on business combination (Refer note 58)	-	(140.92)
Interim dividend paid	(4,096.85)	(4,093.77)
Other comprehensive income	(164.58)	(95.33)
Balance as at the end of the year	78,235.64	68,208.81
Other comprehensive Income-		
(i) Foreign currency translation reserve		
Balance as at the beginning of the year	131.33	278.54
Exchange differences in translating financial statements of foreign operations	129.74	(147.21)
Balance as at the end of the year	261.07	131.33

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.

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

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 49 (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.

19. BORROWINGS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Secured loan		
Term loans from banks	2,861.42	15,867.72
Total	2,861.42	15,867.72

Notes:

- Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited and 30% shares of Desai Metropolis Health Services Private. Limited. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank.
- Term loan from a bank amounting to Rs. 15,000 Lakhs was secured through first charge on the current assets, movable fixed assets and specific immovable properties. The loan has been prepaid during the year & there is no outstanding as on March 31, 2023.
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

20. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Payable towards acquisition of business	54.95	89.43
Total	54.95	89.43

21. PROVISIONS

21A Non-Current

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Provision for employee benefits		
Gratuity (Refer note 49 (a))	1,302.02	1,171.36
Compensated absences	-	-
Total	1,302.02	1,171.36

21B Current

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Provision for employee benefits		
Gratuity (Refer note 49 (a))	932.96	856.47
Compensated absences	25.70	29.53
Total	958.66	886.00

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

22. BORROWINGS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Secured		
Term loans from banks	5,043.81	9,986.81
Unsecured loan		
Related parties	0.00	
From directors of subsidiary companies (Refer Note (i) below)	-	
From others (Refer Note (ii) below)	-	-
Total	5,043.81	9,986.81

Notes:

- Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge by way of pledge on 30% shares of Dr. Ganesan's Hitech Diagnostic Centre Limited (now merged with Metropolis Healthcare Limited) and 30% shares of Desai Metropolis Health Services Private. Limited. (now merged with Metropolis Healthcare Limited). The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank.
- Term loan from a bank amounting to Rs. 15,000 Lakhs is secured through first charge on the current assets, movable fixed assets and specific immovable properties. The Term loan is repayable in 36 equal monthly instalments with October 21, 2024 as maturity date with an interest rate as agreed with the bank. The loan has been prepaid during the year & there is no outstanding as on March 31, 2023.
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

23. TRADE PAYABLES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Total outstanding due to micro enterprises and small enterprises (Refer note 23.1)	184.26	136.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,223.93	10,184.47
Total	9,408.19	10,320.80

1. Includes Creditors for expenses amounting Rs. 2,833.60 Lakhs (March 31, 2022 Rs. 4,296.86 Lakhs)

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

As at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	183.60	0.16	0.04	0.46	184.26
Undisputed dues of creditors other than micro enterprises and small enterprises	8,488.26	310.55	283.48	141.64	9,223.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	8,671.85	310.71	283.52	142.10	9,408.19

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**
As at March 31, 2022

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	123.78	12.45	0.10	-	136.33
Undisputed dues of creditors other than micro enterprises and small enterprises	9,391.34	137.22	418.00	237.91	10,184.47
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	9,515.12	149.67	418.10	237.91	10,320.80

23.1 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 year end. 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.

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
a. Principal amount remaining unpaid to any supplier as at the year end	184.26	136.33
b. Amount of Interest paid during the year	-	-
c. Amount of payments made to the supplier beyond the appointed day during the accounting year.	-	-
d. Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006)	-	-
e. Amount of Interest accrued and remaining unpaid at the end of the accounting year.	0.26	2.18
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

24. OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Employee related dues	1,112.18	1,282.79
Payable towards purchase of property, plant and equipment	536.06	568.98
Payable towards acquisition of business	142.43	143.09
Security deposits	92.50	87.69
Others (unspent CSR liability, etc)	129.12	285.82
Total	2,012.29	2,368.37

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

25. OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Statutory dues#	421.15	469.26
Advances from Customers	1,404.61	1,655.45
Deferred Revenue	67.32	67.41
Other Payable*	63.27	126.75
Total	1,956.35	2,318.87

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

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

26. CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Provision for taxation (net of advance tax: March 31, 2022: Rs. 3,786.36 Lakhs {March 31, 2022: Rs. 6,230.29 Lakhs})	934.70	535.47
Total	934.70	535.47

27. REVENUE FROM OPERATIONS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Revenue from Healthcare Services		
Service income (Refer note 48)	1,14,477.00	1,22,651.57
Sale of traded goods (Refer note 48)	344.02	180.56
Other Operating revenue		
Sundry balances written back	-	1.47
Total	1,14,821.02	1,22,833.60

28. OTHER INCOME

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
<u>Interest Income</u>		
- from banks	320.80	1,048.71
- on income tax refund	55.71	3.82
- others	194.27	62.24
<u>Other Non-Operating Income</u>		
-Provision for doubtful debts written back (net)	-	426.83
- Fair value gain on mutual funds measured at FVTPL	67.81	41.97
- Excess provision written back	-	0.61
- Profit on sale of property, plant and equipment (net)	0.77	-
- Foreign exchange gain (net)	430.84	124.74
- Sundry balances written back (net)	-	0.41
- Miscellaneous income	452.26	43.54
- Provision for impairment of non-current investments	-	0.62
Total	1,522.46	1,762.30

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

29. COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Cost of material consumed		
Opening stock (Refer note 9)	5,075.31	4,316.90
Add: Purchase of traded goods	224.90	120.84
Add: Purchases of raw materials	24,485.32	28,275.08
	29,785.53	32,712.82
Less: Closing stock (Refer note 9)	(4,459.13)	(5,110.63)
Total	25,326.40	27,602.19

30. LABORATORY TESTING CHARGES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Laboratory testing charges	657.09	690.72
Total	657.09	690.72

31. EMPLOYEE BENEFITS EXPENSE

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Salaries, wages and bonus	22,494.56	20,026.24
Gratuity expenses (Refer note 49 (a))	336.66	291.22
Contribution to provident and other funds (Refer note 49 (b))	1,461.27	1,213.84
Share based payment expenses (Refer note 49 (c)) *	28.51	685.72
Staff welfare expenses	952.41	1,100.31
Total	25,273.41	23,317.33

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

32. FINANCE COSTS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Interest on borrowings	1,010.96	900.97
Interest on long term loan	0.58	-
Interest on deferred purchase consideration measured at amortised cost	9.92	29.73
Interest on lease liabilities (Refer note 38)	1,658.68	1,043.49
Total	2,680.15	1,974.20

33. DEPRECIATION AND AMORTIZATION EXPENSE

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Depreciation on Property, Plant and Equipment (Refer note 3)	2,594.80	2,090.15
Amortization on intangible assets (Refer note 4)	1,450.08	1,117.35
Depreciation on Right Of Use Asset (Refer note 38)	4,876.68	3,114.78
Total	8,921.56	6,322.28

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

34. OTHER EXPENSES

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Accreditation expenses	168.14	236.94
Waste disposal charges	2.32	21.63
Electricity expenses	-	115.82
Laboratory expenses	217.36	200.07
Power and fuel	1,442.77	1,357.37
Rent (Refer note 38)	9,409.99	10,567.03
Repairs and maintenance		
Buildings	28.47	70.76
Plant and equipment	1,757.39	1,712.27
Others	293.35	376.55
Insurance	298.81	232.07
Rates and taxes	105.68	175.30
Sales promotion expenses	-	89.79
Bank charges	504.90	528.25
Sample Collection Charges	6.36	165.66
Legal and professional	7,384.95	8,002.11
Travelling and conveyance	1,167.11	1,084.56
Printing and stationery	754.16	692.76
Advertisement	-	31.14
Provision for bad and doubtful debts (net)	(223.61)	142.06
Provision for doubtful advances (net)	-	1.90
Credit impaired trade receivables written off	6.39	-
Postage and courier	4,917.98	5,853.68
Communication	471.41	480.44
Advertisement and sales promotion expenses	2,615.55	2,572.08
Facility maintenance charges	1,528.91	1,360.06
Loss on impairment of Goodwill	-	18.78
Loss on sale of property, plant and equipment	-	1.58
Donation	-	10.06
Payments to auditors (Refer note 47)	170.70	171.64
Corporate social responsibility expense (Refer note 51)	513.83	445.67
Directors' sitting fee & commission (Refer note 40)	78.86	47.94
Computer expenses	6.62	0.73
Office Expenses	65.24	52.49
Foreign exchange loss (net)	449.21	185.85
Security charges	1.03	3.55
Miscellaneous expenses	577.15	173.26
Write-off of Property, Plant and Equipment	13.50	3.40
Total	34,734.53	36,944.22

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

35. EXCEPTIONAL ITEMS

(Rs. in Lakhs)

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

Notes:

- The Company was in a prolonged dispute in relation to trade receivables from a party towards lab management services rendered by the Company and the matter was under arbitration. The Company has amicably resolved the dispute with the party and agreed final settlement of Rs. 1,600 Lakhs towards all the claims. The Company has disclosed this under exceptional item for the year ended March 31, 2022.
- The Company had filed Arbitration proceedings against Dr. Golwilkar Labs Private Limited. (Golwilkar) claiming an amount of Rs.759 Lakhs (along with interest thereon) lying in Escrow account. Golwilkars subsequently filed their Counter claim for an amount of Rs.143.10 Lakhs on the Company towards alleged non-payment of salary/ consultancy fees to them (along with interest thereon). On July 08, 2021, the Hon'ble Tribunal passed an Arbitral Award allowed claims of both the Claimant and the Respondents along with 6% interest. Thereafter the Company and Golwilkar entered into settlement agreement to withdraw the amount lying in Escrow account. The Company has disclosed this under exceptional items for the year ended March 31, 2022.

36. INCOME TAXES

i. Tax expense recognised in Profit and Loss :

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Current tax expense		
Current year	5,127.43	6,989.23
Tax adjustments for earlier years	(258.40)	(128.85)
Total (A)	4,869.03	6,860.38
Deferred tax expense		
Relating to addition & reversal of temporary differences	(458.09)	1,006.12
Total (B)	(458.09)	1,006.12
Total (A+B)	4,410.94	7,866.50

ii. Tax charge recognised in Other Comprehensive Income

(Rs. in Lakhs)

Particulars	March 31, 2023		
	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to statement of profit or loss			
Remeasurements of the defined benefit plans	(219.94)	55.36	(164.58)
Items that will subsequently be reclassified to statement of profit or loss			
Exchange differences in translating financial statements of foreign operations	129.74	-	129.74
Total tax charge recognized directly to Other Comprehensive Income	(90.20)	55.36	(34.84)

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

(Rs. in Lakhs)

Particulars	March 31, 2022		
	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to statement of profit or loss			
Remeasurements of the defined benefit plans	(128.18)	32.85	(95.33)
Items that will subsequently be reclassified to statement of profit or loss			
Exchange differences in translating financial statements of foreign operations	(136.36)	-	(136.36)
Total tax charge recognized directly to Other Comprehensive Income	(264.54)	32.85	(231.69)

iii. Reconciliation of Effective Tax Rate:

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Profit before tax	18,750.34	29,335.11
Income tax expense at tax rates applicable to individual entities	4,972.27	8,447.76
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Expenses not allowed under Income tax	123.63	309.42
Dividend Income (Exempt Income)	(201.34)	(954.31)
Income taxable at a different rate	-	-
Tax adjustment of earlier years	(258.40)	(128.85)
Others	(225.22)	192.50
Total tax expense	4,410.94	7,866.50

iv. Movement in deferred tax balances

As at March 31, 2023

Particulars	Net balance April 01, 2022	Recognised in statement of profit or loss	Recognised in OCI	On account of business combination	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(1,817.87)	366.08	-	40.54	(1,411.24)	31.84	(1,443.08)
Current investments	89.48	33.30	-	-	122.78	2.19	120.59
Business Combination	(8,209.45)	-	-	-	(8,209.45)	-	(8,209.45)
Provision for bad and doubtful debts	720.03	(122.75)	-	-	597.29	72.75	524.54
Provision for bad and doubtful advances / deposits	13.13	-	-	-	13.13	-	13.13
Provision for employee benefits	569.32	(51.57)	55.36	-	573.11	9.48	563.62
Impact of Ind AS -116	279.70	71.01	-	-	350.71	2.38	348.33
Share based payments	214.51	-	-	-	214.51	-	214.51
Others	452.59	162.01	-	-	614.60	571.00	43.60
Tax Assets/ (Liabilities) (net)	(7,688.53)	458.09	55.36	40.54	(7,134.57)	689.65	(7,824.21)

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

As at March 31, 2022

Particulars	Net balance April 01, 2021	Recognised in statement of profit or loss	Recognised in OCI	On account of business combination	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax (liability)
Property, plant, equipment and intangibles	(1,559.28)	(275.12)	-	16.53	(1,817.87)	125.86	(1,943.72)
Current investments	91.46	(1.98)	-	-	89.48	(33.30)	122.78
Business Combination	-	-	-	(8,209.45)	(8,209.45)	-	(8,209.45)
Provision for bad and doubtful debts	1,429.54	(810.18)	-	100.67	720.03	209.86	510.18
Provision for bad and doubtful advances / deposits	2.38	10.75	-	-	13.13	13.13	-
Provision for employee benefits	441.11	25.29	32.85	70.07	569.32	190.97	378.35
Impact of Ind AS -116	213.54	66.10	-	0.07	279.70	59.97	219.73
Share based payments	214.51	(0.00)	-	-	214.51	-	214.51
Others	459.05	(20.98)	-	14.52	452.59	411.88	40.71
Tax Assets/ (Liabilities) (net)	1,292.31	(1,006.12)	32.85	(8,007.59)	(7,688.54)	978.37	(8,666.91)

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.

Tax Assets and Liabilities

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Non current tax assets (net of tax provision)	3,286.77	2,583.41
Current tax liabilities (net of tax assets)	934.70	535.47

37. EARNINGS PER SHARE

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
i. Profit attributable to equity holders (Rs. in Lakhs)		
Profit attributable to equity holders for basic and diluted EPS	14,288.26	21,418.21
ii. Weighted average number of shares for calculating basic EPS	5,11,96,399	5,11,56,132
iii. Effect of dilution		
Share options	1,73,624	2,58,016
Weighted average number of shares for calculating diluted EPS	5,13,70,023	5,14,14,148
iv. Basic earnings per share (Rs.)	27.91	41.87
v. Diluted earnings per share (Rs.)	27.81	41.66

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

38. DISCLOSURE ON IND-AS 116 LEASES

Following is the summary of practical expedients elected on application:

- i Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
 - ii Applied the exemption not to recognize right-of-use assets and liabilities for leases :
 - a. with less than 12 months of lease term on the date of initial application
 - b. Rent outflow of less than Rs. 5 Lakhs in entire tenure of arrangement
 - iii Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
 - iv Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- 1 The effect of depreciation and interest related to Right Of Use Asset and Lease Liability are reflected in the statement of Profit and Loss under the heading "Depreciation and Amortization Expense" and "Finance costs" respectively under Note No 33 and 32
 - 2 The incremental borrowing rate applied to lease liabilities for FY 2022-23 is 9.2% -10.10% based on tenure of arrangement
 - 3 Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023

(Rs. in Lakhs)

Particulars	Category of ROU					Total
	Office Space	Patient Service Center	Lab	HUB	Re-agent	
Balance as of April 01, 2021	1,987.37	1,994.27	1,799.19	187.77	4,344.57	10,313.17
Reclassification	(842.82)	-	-	-	842.82	-
Additions on account of acquisition	85.45	-	765.76	-	-	851.21
Additions	597.54	523.17	248.87	-	1,530.00	2,899.56
Depreciation	(539.82)	(636.48)	(469.78)	(111.71)	(1,356.99)	(3,114.79)
Balance as of March 31, 2022	1,287.72	1,880.96	2,344.04	76.06	5,360.39	10,949.17
Reclassification						-
Additions	1,893.70	4,550.45	3,007.82	-	1,926.52	11,378.49
Deletion			(111.05)			(111.05)
Depreciation	(556.58)	(1,568.78)	(1,006.37)	(67.09)	(1,677.87)	(4,876.68)
Balance as of March 31, 2023	2,624.83	4,862.64	4,234.44	8.97	5,609.05	17,339.93

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Current Lease liabilities	6,183.09	3,738.64
Non-current lease liabilities	12,550.13	8,262.44
Total	18,733.21	12,001.08

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

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

(Rs. in Lakhs)

Particulars	Amount
Balance as of April 01, 2021	11,226.99
Addition on merger	776.68
Additions	2,833.64
Interest accrued during the period	1,043.49
Payment of lease liabilities	(3,879.72)
Balance as of March 31, 2022	12,001.08
Additions	11,378.11
Deletions	(127.91)
Interest accrued during the period	1,658.68
Payment of lease liabilities	(6,176.74)
Balance as of March 31, 2023	18,733.22

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Less than one year	6,336.20	3,738.22
One to five years	14,237.68	9,799.56
More than five years	2,179.95	945.26
Total	22,753.83	14,483.04

7 Impact of adoption of Ind AS 116 is as follows:

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Decrease in Other expenses by	6,176.74	3,879.72
Increase in Finance cost by	1,658.68	1,043.49
Increase in Depreciation by (excludes depreciation on reclassified assets)	4,876.68	3,114.79
Net Impact on Statement of Profit and Loss	358.62	278.56

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

9 Rental expense recorded for short-term leases / Variable rent was Rs. 9,409.99 Lakhs for the year ended March 31, 2023 (March 31, 2022 Rs. 10,567.03 Lakhs).

10 The total cash outflow for leases for year ended March 31, 2023 is Rs. 6,176.74 Lakhs (March 31, 2022 Rs. 3,879.68 Lakhs)

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

39. 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.

(Rs. in Lakhs)

Particulars	As at March 31, 2023						
	Carrying amount			Fair value			
	Fair value through profit and loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non-current Financial assets							
Non-current investments - Unquoted equity instruments in others**	-	-	-	-	-	-	-
Loans- Security Deposits	-	1,419.03	1,419.03	-	-	-	-
Other non current financial assets	-	244.75	244.75	-	-	-	-
Current Financial assets							
Investment in mutual funds	1,306.14	-	1,306.14	1,306.14	-	-	1,306.14
Trade receivables	-	12,188.76	12,188.76	-	-	-	-
Cash and cash equivalents	-	6,883.32	6,883.32	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	2,436.14	2,436.14	-	-	-	-
Current loans	-	-	-	-	-	-	-
Other current financial assets	-	1,405.60	1,405.60	-	-	-	-
	1,306.14	24,577.61	25,883.75	1,306.14	-	-	1,306.14
Non-current Financial liabilities							
Borrowings	-	2,861.42	2,861.42	-	-	-	-
Other non-current financial liabilities	-	54.95	54.95	-	-	-	-
Lease Liabilities	-	12,550.13	12,550.13	-	-	-	-
Current Financial liabilities							
Borrowings	-	5,043.81	5,043.81	-	-	-	-
Trade payables	-	9,408.19	9,408.19	-	-	-	-
Other current financial liabilities	-	2,012.29	2,012.29	-	-	-	-
Lease Liabilities	-	6,183.09	6,183.09	-	-	-	-
	-	38,113.87	38,113.87	-	-	-	-

**The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at their cost, i.e. Rs. 175.28 Lakhs (March 31, 2022 Rs.175.28 Lakhs).

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

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

(Rs. in Lakhs)

Particulars	As at March 31, 2022						
	Carrying amount			Fair value			
	Fair value through profit and loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non-current Financial assets							
Loans- Security Deposits	-	1,655.25	1,655.25	-	-	-	-
Other non current financial assets	-	1,819.66	1,819.66	-	-	-	-
Current Financial assets							
Investment in mutual funds	1,375.42	-	1,375.42	1,375.42	-	-	1,375.42
Trade receivables	-	13,548.78	13,548.78	-	-	-	-
Cash and cash equivalents	-	6,598.04	6,598.04	-	-	-	-
Bank Balances other than Cash and cash equivalents	-	10,095.63	10,095.63	-	-	-	-
Current loans	-	5.42	5.42	-	-	-	-
Other current financial assets	-	1,147.35	1,147.35	-	-	-	-
	1,375.42	34,870.13	36,245.55	1,375.42	-	-	1,375.42
Non-current Financial liabilities							
Borrowings	-	15,867.72	15,867.72	-	-	-	-
Other non-current financial liabilities	-	89.43	89.43	-	-	-	-
Lease Liabilities	-	8,262.44	8,262.44	-	-	-	-
Current Financial liabilities							
Borrowings	-	9,986.81	9,986.81	-	-	-	-
Trade payables	-	10,320.80	10,320.80	-	-	-	-
Other current financial liabilities	-	2,368.37	2,368.37	-	-	-	-
Lease Liabilities	-	3,738.64	3,738.64	-	-	-	-
	-	50,634.21	50,634.21	-	-	-	-

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

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

Financial instruments with fixed and variable interest rates are evaluated by the 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.

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

(B) Fair value hierarchy

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the 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

(C) 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

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.

The group does not have any significant concentration of credit risk. Further, group has no customer (March 31, 2022: one Customer) which accounts for 10% or more of the total trade receivables at each reporting date.

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

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 March 31, 2023

(Rs. in Lakhs)	
Particulars	Amount
Balance as at March 31, 2021	5,075.52
Deduction on account of write off and collections	(2,726.39)
Expected Credit Loss allowance	43.19
Balance as at March 31, 2022	2,392.32
Expected Credit Loss allowance	(176.45)
Reversal of expected credit loss allowance	(217.22)
Balance as at March 31, 2023	1,998.65

b. Cash and cash equivalents and Other bank balances

The Group held cash and cash equivalents and other bank balances of Rs. 9,319.46 Lakhs at March 31, 2023 (March 31, 2022: Rs.16,693.67 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 March 31, 2023:

(Rs. in Lakhs)	
Particulars	Amount
Balance as at March 31, 2021	520.06
Deduction on account of write off	30.47
Movement during the year	1.90
Balance as at March 31, 2022	552.43
Advance write off during the year	(227.24)
Movement during the year	-
Balance as at March 31, 2023	325.19

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.

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

Maturities of financial liabilities

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

(Rs. in Lakhs)

As at March 31, 2023	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquisition of business	197.38	198.44	178.44	20.00	-	-
Current borrowings	5,043.81	5,043.81	5,043.81	-	-	-
Lease Liabilities*	18,733.21	22,753.83	6,336.20	10,345.96	3,891.72	2,179.95
Trade payables	9,408.19	9,408.19	9,408.19	-	-	-
Other current financial liabilities	1,869.86	1,869.86	1,869.86	-	-	-
Total	35,252.45	39,274.13	22,836.50	10,365.96	3,891.72	2,179.95

(Rs. in Lakhs)

As at March 31, 2022	Contractual cash flows					
	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Payable towards acquisition of business	232.52	234.75	143.02	91.73	-	-
Current borrowings	9,986.81	9,986.81	9,986.81	-	-	-
Lease Liabilities*	12,001.08	14,109.48	3,738.22	6,363.44	3,062.55	945.26
Trade payables	10,320.80	10,320.80	10,320.80	-	-	-
Other financial liabilities	2,225.28	2,225.28	2,225.28	-	-	-
Total	34,766.49	36,877.12	26,414.13	6,455.17	3,062.55	945.26

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

Market risk:

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

a. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The 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 March 31, 2023 and March 31, 2022 are as below:
(Rs. in Lakhs)

March 31, 2023	SGD	EUR	GBP	USD	OMR
Financial assets (A)					
Trade and other receivables	-	-	-	403.77	-
Advance given	28.04	-	0.04	86.69	-
Financial liabilities (B)					
Trade and other payables	-	-	-	31.82	-
Advance taken	-	-	-	1.09	-
Net exposure (A - B)	28.04	-	0.04	457.56	-

(Rs. in Lakhs)

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

March 31, 2022	SGD	EUR	GBP	USD	OMR
Financial assets (A)					
Trade and other receivables	-	-	-	300.78	-
Advance given	30.58	0.31	0.45	32.68	-
Financial liabilities (B)					
Trade and other payables	-	-	0.38	3.41	-
Advance taken	-	-	-	1.00	-
Net exposure (A - B)	30.58	0.31	0.07	329.06	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currencies at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in foreign currencies and affected Statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	March 31, 2023		March 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
Effect in INR				
3% movement				
USD	(13.73)	13.73	(9.87)	9.87
SGD	(0.84)	0.84	(0.92)	0.92
GBP	(0.00)	0.00	-	-
OMR	-	-	-	-
EUR	-	-	(0.01)	0.01
	(14.57)	14.57	(10.80)	10.80

"0" denotes amount below Rs. 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.

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Fixed-rate instruments		
Financial assets	8,185.49	15,559.71
Financial liabilities	(5,241.19)	(10,219.33)
	2,944.30	5,340.38
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(21,594.63)	(27,868.80)
	(21,594.63)	(27,868.80)
Total	(18,650.33)	(22,528.42)

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

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.

(Rs. in Lakhs)

Particulars	Profit or loss	
	100 bp increase	100 bp increase
For the year ended March 31, 2023		
Variable-rate instruments	(215.95)	215.95
Cash flow sensitivity (net)	(215.95)	215.95
For the year ended March 31, 2022		
Variable-rate instruments	(278.69)	278.69
Cash flow sensitivity (net)	(278.69)	278.69

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

(D) 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.

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

A. Relationships –

Category I: Key Management Personnel (KMP)

Dr. Sushil Kanubhai Shah, Chairman and Executive Director
 Ms. Ameera Sushil Shah, Managing Director
 Mr. Vijender Singh, Chief Executive Officer (up to August 17, 2022)
 Mr. Rakesh Agarwal, Chief Financial Officer
 Mr. Milind Shripad Sarwate, Independent Director
 Mr. Vivek Gambhir, Independent Director
 Mr. Sanjay Bhatnagar, Independent Director
 Ms. Anita Ramachandran, Independent Director
 Ms. Simmi Singh Bisht, Company Secretary (up to January 07, 2023)
 Mr. Hemant Sachdev, Non-Executive Director
 Mr. Surendran Chemmenkotil, Chief executive Officer (w.e.f January 02, 2023)

Category II: Relatives of KMP

Dr. Duru Sushil Shah
 Ms. Aparna Shah (Rajadhyaksha)

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

Metz Advisory LLP
 Metropolis Health Products Retail Private Limited
 Chogori Distribution Private Limited
 Chogori India Retail Limited
 Chogori Retail Private Limited
 Sushil Shah Family Trust

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

Duru Shah Family Trust

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
1) Services rendered		
Relatives of KMP		
Dr. Duru Sushil Shah	22.60	17.19
Other related parties		
Centre for Digestive and Kidney Disease (India) Private Limited	-	-
2) Rent paid		
Key Management Personnel		
Dr. Sushil Kanubhai Shah	118.35	118.35
3) Compensation paid to Key Management Personnel		
Short-term employee benefits^	989.49	1,011.58
Post employment benefit	42.75	43.76
Share-based payments expense	60.49	346.20
(^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	207.79	199.79
Ameera Sushil Shah	14.55	14.55
Vijender Singh	-	5.23
Rakesh Kumar Agarwal	0.24	0.12
Other related parties		
Metz Advisory LLP	1,255.30	1,255.30
Sushil Shah Family Trust	294.70	102.22
Duru Shah Family Trust	102.23	102.22
Relatives of KMP		
Dr Duru Sushil Shah	163.67	356.14
5) Director sitting fees and Commission		
Mr. Milind Shripad Sarwate	23.55	16.15
Mr. Vivek Gambhir	18.90	10.15
Ms. Anita Ramachandran	18.50	10.00
Mr. Sanjay Bhatnagar	14.65	9.90
6) Professional Fees		
Relatives of KMP		
Ms. Aparna Shah (Rajadhyaksha)	18.00	18.00
7) Amount paid for CSR projects		
Other related parties		
Metropolis Foundation	215.56	-

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

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
1) (a) Trade payables		
<i>Other related parties</i>		
Metropolis Health Products Retail Private Limited	1.87	1.87
(b) Other Payable		
Dr. Sushil Kanubhai Shah*	19.86	19.86
Aparna Rajadhyaksha	22.50	4.50
2) Trade receivables		
<i>Relatives of KMP</i>		
Dr. Duru Sushil Shah	3.66	4.73
3) Loans and advances including interest accrued		
<i>Other related parties</i>		
Metropolis Health Products Retail Private Limited	44.00	44.00
4) Provision for doubtful advances		
<i>Other related parties</i>		
Metropolis Health Products Retail Private Limited	44.00	44.00

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

41. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

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

Name of the subsidiary	Country of incorporation	Proportion of ownership interest	
		As at March 31, 2023	As at March 31, 2022
Amins Pathology Laboratory Private Limited	India	100.00%	100.00%
Ekopath Metropolis Lab Services Private Limited	India	60.00%	60.00%
Centralab Healthcare Services Private Limited	India	100.00%	100.00%
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 Healthcare Uganda Limited	Uganda	100.00%	100.00%
Metropolis Bramser Lab Services (Mtius) Limited	Mauritius	100.00%	100.00%

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

Name of Associates	Country of incorporation	Proportion of ownership interest	
		As at March 31, 2023	As at March 31, 2022
Star Metropolis Health Services Middle East LLC [^]	United Arab Emirates	34.00%	34.00%

[^] Associate is not accounted in the consolidated financial statements.

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

42. DEFERRED PAYMENT CONSIDERATION

During the 2018-19, the Company has entered into a business purchase agreement to acquire Sanjeevani Pathology Laboratory located at Rajkot for an initial purchase consideration of Rs. 4,104.00 Lakhs, an amount of Rs. 2,300.00 Lakhs is to be paid by the Company to Dr. Kiritkumar Patel, owner of Sanjeevani Pathology Laboratory in 7 tranches starting from February 2017 to March 2021.

The deferred consideration of Rs. 2,300.00 Lakhs has been measured at fair value (Rs. 2,100.96 Lakhs) on initial recognition and the difference of Rs. 199.04 Lakhs will be recognised as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. NIL (March 31, 2022 Rs. NIL Lakhs) charged to statement of profit and loss (refer note 32).

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

The deferred consideration of Rs. 100 Lakhs has been measured at fair value (Rs. 80.40 Lakhs) on initial recognition and the difference of Rs. 19.60 Lakhs will be recognised as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. 1.25 Lakhs (March 31, 2022 Rs. 3.32 Lakhs) charged to statement of profit and loss (refer note 32).

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

The deferred consideration of Rs. 60 Lakhs has been measured at fair value (Rs. 55.22 Lakhs) on initial recognition and the difference of Rs. 4.78 Lakhs will be recognised as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. NIL (March 31, 2022 Rs. 1.31 Lakhs) charged to statement of profit and loss (refer note 33).

During the 2019-20, Desai Metropolis health Services Private Limited a subsidiary of the Company has entered into a business purchase agreement to acquire Four Laboratories (Yash Lab, Nagar lab, Doctor Lab and Iyer Lab) located at Surat for an initial purchase consideration of Rs. 1,800.00 Lakhs. The amount of Rs. 1,800.00 Lakhs is to be paid by the Desai Metropolis health Services Private Limited to the owners of these laboratories in 6 tranches starting from September 2019 to September 2024.

The deferred consideration of Rs. 1,800 Lakhs has been measured at fair value (Rs. 1,668.11 Lakhs) on initial recognition and the difference of Rs. 131.89 Lakhs will be recognised as finance cost on EIR basis over the payment tenure; During year ended March 31, 2023 Rs. 8.67 Lakhs (March 31, 2022 Rs. 25.10 Lakhs) charged to statement of profit and loss (refer note 32).

Summarised Details of Deferred Purchase Consideration

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

43. NON CONTROLLING INTERESTS

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

Name	Country of incorporation	As at March 31, 2023	As at March 31, 2022
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.

The non-wholly owned subsidiary is material to the Group. Therefore, financial information about these non-wholly owned subsidiaries are not disclosed separately

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

44. EQUITY ACCOUNTED INVESTEEES

Investment in Joint Ventures

Metropolis Histoxpert Digital Services Private Limited

During the year ended March 31, 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 was accounted for using the equity method in the consolidated financial statements. On November 26, 2021 (effective date), the Company acquired balance stake of 35% in Histoxpert Digital Services Private Limited for cash consideration of Rs. 0.33 Lakhs. Thus, Histoxpert Digital Services Private Limited has now become a wholly owned subsidiary (earlier Joint venture) of the Company.

45. COMMITMENTS

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account not provided for	285.47	831.85

Other commitments:

- The Company has entered into reagent agreement for a period ranging from 3 to 6 years with some of its major raw material suppliers to purchase agreed value of raw materials.
- The value of purchase commitments for the remaining number of years are Rs.26,295.23 Lakhs (March 31, 2022 Rs.24,900.23 Lakhs) of which annual commitment for next year is Rs.6,871.92 Lakhs (March 31, 2022 Rs.6,592.92 Lakhs) as per the terms of these arrangements.

46. CONTINGENT LIABILITIES NOT PROVIDED FOR

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Income tax liability disputed in appeals	-	-
Service tax liability disputed as per Show Cause Notice	-	-
Employee related dues	-	-
Due to others	-	231.40
Claims against the Group not acknowledged as debt :		
- Claims by suppliers/contractors /others	89.90	73.26
- Claims pending in Consumer Dispute Redressal Forum	123.44	115.52
Contingent consideration on acquisition of remaining stake of subsidiary	-	-
	213.34	420.18

Note: The Company has settled cases CP IB No. 4334 of 2019 & 4366 of 2019 in FY 2022-23, hence excluded from CL.

47. AUDITORS' REMUNERATION

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Audit fees	123.04	123.04
Certification Fees	9.49	9.49
Others (including reimbursement of out of pocket expenses)	38.17	39.11
	170.70	171.64

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

48.
(a) Disclosure as per Ind AS 115 - Revenue from contracts with customers

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Contract asset- unbilled revenue	-	-
Contract liabilities - Advance from Customers	-	-
Opening Balance	1,655.45	1,036.79
Movement during the year	(250.84)	618.66
Closing Balance	1,404.61	1,655.45

(b) Reconciliation of revenue from contracts with customers

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Revenue from contract with customer as per the contract price	1,16,117.95	1,24,205.02
Adjustments made to contract price on account of :-		
Discount / Rebates	1,296.93	1,372.90
Revenue from contract with customer	1,14,821.02	1,22,832.13
Other operating revenue	-	1.47
Revenue from operations	1,14,821.02	1,22,833.60

49. 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 :

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
A. Amount recognized in the balance sheet		
Present value of the obligation as at the end of the year	2,355.71	2,150.44
Fair value of plan assets as at the end of the year	(120.74)	(122.61)
Net liability recognized in the balance sheet	2,234.98	2,027.83
Out of which,		
Non-current portion (Refer note 21(A))	1,302.02	1,171.36
Current portion (Refer note 21(B))	932.96	856.47
B. Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	2,150.43	1,896.39
On Acquisition of Subsidiary		
Current service cost	226.67	200.24
Past service cost	-	23.27
Interest cost	110.88	97.68
Actuarial loss/(gain)	226.70	128.18
Benefits paid	(358.97)	(221.40)
Liability transferred in	-	26.08
Liability transferred out	-	-
Projected benefit obligation at the end of the year	2,355.71	2,150.43

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

Particulars	March 31, 2023	March 31, 2022
C. Change in plan assets		
Fair value of plan assets at the beginning of the year	122.61	116.73
Interest income	0.89	6.70
Return on plan assets (excluding Interest income)	6.76	1.15
Benefits paid	(9.52)	(1.97)
Fair value of plan assets at the end of the year	120.74	122.61
D. Amount recognised in the statement of profit and loss		
Current service cost	226.67	200.24
Interest cost	109.99	90.98
Expenses recognised in the statement of profit and loss (Refer note 32)	336.66	291.22
E. Amount recognised in other comprehensive income		
Actuarial loss/(gain) on Defined benefit obligation	226.70	129.33
Return on plan assets (excluding Interest income)	(6.76)	(1.15)
	219.94	128.18
F. Plan Assets include the following:		
(i) Insurance funds		
G. Assumptions used		
Discount rate	7.2%-7.52%	3.86% -6.26%
Long-term rate of compensation increase	5.00%-6.00% p.a	6.00% p.a
Rate of return on plan assets	7.20%	5.21%-6.43%
Attrition rate	5%-31%	13%-40%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

H. Sensitivity analysis

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

(Rs. in Lakhs)

Name of the Company	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(46.24)	49.07	(55.01)	59.18
Future salary growth (1% movement)	47.65	(45.99)	57.81	(54.79)
Employee Turnover (1% movement)	(1.81)	1.88	(5.66)	5.36

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

I. Expected future cash flows

(Rs. in Lakhs)

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligations (Gratuity)	735.37	525.57	950.66	590.07	2,801.67
Total	735.37	525.57	950.66	590.07	2,801.67

(Rs. in Lakhs)

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022					
Defined benefit obligations (Gratuity)	573.63	410.33	809.21	751.06	2,544.23
Total	573.63	410.33	809.21	751.06	2,544.23

(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 March 31, 2023: Rs. 1,461.27 Lakhs (March 31, 2022: Rs. 1,213.84 Lakhs).

(c) Employee Stock Option Schemes

Description of share-based payment arrangements:

As at March 31, 2023 and March 31, 2022 Company had following share-based payment arrangements:

RSU 2020 -

This plan may be called the Metropolis-Restrictive Stock Unit Plan, 2020 (MHL-RSU Plan, 2020) as approved by the Board of Directors of the Company at its meeting held on February 06, 2020 as per the recommendation of Nomination and Remuneration Committee and approved by members of the Company through postal ballot process on April 06, 2020.

This plan shall be deemed to have come into force on April 06, 2020 (Being the date of passing of special resolutions for approving the MHL-RSU Plan 2020 by the Shareholder of the Company through postal ballot process) or on such date as may be decided by the Nomination and Remuneration Committee ("Committee") of the Company.

MESOS 2015 -

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

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

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

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

Grant date / employees entitled	Number of instruments	Vesting conditions	Contractual life of options
RSU - Option granted to eligible employees on May 2020	3,70,000	For the Options to vest, the Grantee has to meet the performance parameters & be in employment of the Metropolis Group on the date of the vesting.	The exercise period for RSU vested will be two years from date of vesting .
MESOS 2015 - Option granted to eligible employees on April 25, 2016	27,800	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.
MESOS 2015 - Option granted to eligible employees on October 16, 2017	1,85,550	For the Options to vest, the Grantee has to be in employment of the Metropolis Group on the date of the vesting.	The exercise period for Options vested will begin on earlier of (a) Listing of Company shares on an Indian Stock Exchange or (b) during the exercise window to be specified individually by Nomination and Remuneration Committee of the Company.

Reconciliation of Outstanding share options

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

RSU 2020

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

Summary of Shares/Option exercised during the period

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**
MESOS 2015

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

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

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

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

Summary of Shares/Option exercised during the period

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

Measurement of Fair value

The fair value of employee share options has been measured at fair value of prevailing market value. The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity settled share based payment plans are as follows:

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

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

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

(d) Compensatory absences:

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

50. 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.

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Revenue from external customers		
India	1,09,210.57	1,18,070.48
Outside India	5,610.45	4,763.12

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Non-current assets (other than financial instruments and deferred tax assets)		
India	1,16,059.81	1,07,996.18
Outside India	1,298.93	1,092.55

c. Major customers

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

51. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Details of CSR expenditure:

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
i) Amount required to be spent by the group during the year	513.83	445.67
ii) Amount of expenditure incurred		
A) Construction/ acquisition of any asset	-	-
B) On other than (i) above	513.83	365.00
iii) Shortfall at the end of the year	Nil	80.67
iv) Total of previous year shortfall	-	-
v) Reasons for shortfall	-	Due to ongoing projects
vi) Nature of CSR activities	Promoting healthcare, education and Covid 19 relief	
vii) Details of related party transaction	NIL	NIL

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

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

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

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

As at March 31, 2023, the Company has an investment of Rs. 129.85 Lakhs (March 31, 2022 Rs. 129.85 Lakhs) and receivable of Rs. 445.05 Lakhs (March 31, 2022 Rs. 445.05 Lakhs) from Star Metropolis Health Services Middle East LLC ('Star Metropolis'). Since the information has not been forthcoming for many years, Management has decided to discontinue 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.

54. 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 March 31, 2023. Management continues to believe that its international transactions post March 31, 2023 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.

55. SHAREHOLDING IN THE SUBSIDIARY COMPANY

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

56. DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

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

57. SUBSEQUENT EVENTS:

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

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

58. BUSINESS COMBINATION

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

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

Details of assets acquired:

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

(Rs. in Lakhs)

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

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

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

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

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

59. SCHEME OF MERGER

The Board of Directors of the Company at its meeting held on 06 August July 2021 had approved the Composite Scheme of Arrangement (the 'Scheme') for merger of its eight wholly owned subsidiaries of the Company with the Company. Application seeking approval of the Scheme was subsequently filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on September 22, 2021.

On receipt of the certified copy of the order dated June 03, 2022 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date April 01, 2021, and upon filing the same with Registrar of Companies, Maharashtra on July 11, 2022 the Scheme has become effective.

Accordingly, the Company has given effect to the Scheme in the earlier approved standalone financial statements for the year ended March 31, 2022 from the Appointed date of April 01, 2021 by revising the standalone financial statements for the year ended March 31, 2021 and March 31, 2022. Pursuant to the Scheme, all the assets, liabilities, reserves and surplus of the transferor company have been transferred to and vested in the Company with effect from the appointed date at their carrying values.

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

The details of transferor companies and their merger are as below:

Name of the transferor company	1. Bokil Golwilkar Metropolis Healthcare Private Limited, 2. Desai Metropolis Health Services Private Limited, 3. Dr. Patel Metropolis Healthcare Private Limited, 4. Lab One Metropolis Healthcare Services Private Limited, 5. Micron Metropolis Healthcare Private Limited, 6. R.V. Metropolis Diagnostic & Health Care Center Private Limited, 7. Raj Metropolis Healthcare Private Limited & 8. Sudharma Metropolis Health Services Private Limited
General nature of business	Healthcare Services
Appointed Date of the Scheme	April 01, 2021
Description and number of shares issued	Nil
% of Company's equity shares exchanged	Nil

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

a) Accounting treatment

- i) The Transferee Company has recorded all the assets, liabilities and reserves of the Transferor Company vested in it pursuant to this Scheme, at their book values and in the same form as appearing in the books of the Transferor Company as on the Appointed Date, by applying the principles as set out in Appendix C of IND AS 103 'Business Combinations' and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.
- ii) The financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.
- iii) Any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company, if any, ipso facto, stand discharged and come to end and the same is eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
- iv) Investments in shares of the Transferor Company held by the Transferee Company have been adjusted against Share Capital of the Transferor Company and the difference, between cost of investment of the Transferor Company in the books of the Transferee Company has been adjusted against balance of reserves and surplus of the Transferee Company post-merger.
- v) The identity of the reserves has been preserved and appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company

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

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

Particulars	Amounts in Lakhs
Non-current assets	
Property, plant and equipment	1,480.96
Right of use assets	985.90
Goodwill	1,412.94
Other intangible assets	460.34
Other non current financial assets	277.65
Non-current tax assets (Net)	330.07
Deferred tax assets (Net)	440.67
Other non-current assets	88.50
Total Non-current assets	5,477.03
Current assets	
Inventories	492.83
Financial Assets	
i. Investments	1,112.34
ii. Trade receivables	1,556.54
iii. Cash and cash equivalents	1,587.02
iv. Bank balances other than cash and cash equivalents mentioned above	3,825.63
v. Loans	155.26
vi. Other current financial assets	189.52
Other current assets	108.36
Total Current assets	9,027.50
TOTAL ASSETS (A)	14,504.53
Non-Current Liabilities	
Financial liabilities	
i. Lease Liabilities	917.59
ii. Other non-current financial liabilities	361.26
Provisions	73.17
Deferred tax liabilities (net)	60.99
Total non-current liabilities	1,413.01
Current liabilities	
Financial liabilities	
i. Borrowings	4.08
ii. Lease Liabilities	352.01
iii. Trade payables	
- Total outstanding dues of micro and small enterprises	40.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,329.91
iv. Other current financial liabilities	971.23
Current tax liabilities (net)	208.54
Provisions	247.17
Other current liabilities	127.40
Total current liabilities	3,281.28
Total Liabilities (B)	4,694.29
Total Identified assets acquired C= (A)-(B)	9,810.24
Cost of Investment in Merged Undertakings (D)	12,705.56
Net impact transferred to Retained earnings E= (C)-(D)	(2,895.32)

- c) Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the Company Rs. 2,895.32 Lakhs has been debited to the other equity of the Company.
- d) The authorised share capital of the Transferee Company, automatically stands increased, by clubbing the authorised share capital of the Transferor Company which is 6,386 Lakhs divided into 319,304,015 equity shares of Rs. 2 each.

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

60. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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	March 31, 2023		March 31, 2022	
	As % of Consolidated net assets	Net Assets	As % of Consolidated net assets	Net Assets
Holding Company				
Metropolis Healthcare Limited	94.91%	93,797.44	107.55%	95,311.46
Indian Subsidiaries				
Amin's Pathology Laboratory Private Limited	1.22%	1,209.15	1.07%	944.58
Ekopath Metropolis Lab Services Private Limited	0.60%	590.72	0.52%	464.06
Dr.Ganesan's Hitech Diagnostic Centre Private Limited	0.00%	-	6.60%	4,663.39
Centralab Healthcare Services Private Limited	0.74%	658.78	1.82%	1,284.37
Metropolis Histoxpert Digital Services Private Limited	(0.03%)	(22.72)	(0.03%)	(17.71)
Foreign Subsidiaries				
Metropolis Bramser Lab Services (Mtius) Limited	0.16%	155.77	0.13%	110.89
Metropolis Healthcare Ghana Limited	(0.41%)	(402.68)	(0.16%)	(142.80)
Metropolis Healthcare (Mauritius) Limited	(0.26%)	(261.38)	(0.36%)	(320.78)
Metropolis Star Lab Kenya Limited	3.69%	3,643.08	2.90%	2,573.16
Metropolis Healthcare Lanka Private Limited	(0.07%)	(69.14)	(0.05%)	(46.83)
Metropolis Healthcare Tanzania Limited	0.14%	142.86	0.15%	135.11
Metropolis Healthcare Uganda Limited	(0.06%)	(54.38)	-	-
Add/(Less): Adjustments	(0.51%)	(564.27)	(18.44%)	(16,339.11)
Total	100.00%	98,823.23	100.00%	88,619.80

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

62. Disclosure of additional information pertaining to the Holding Company and Subsidiaries as per Schedule III of Companies Act, 2013

Share in Profit or Loss

Name of the Company	March 31, 2023					March 31, 2022				
	As % of Consol- idated profit or loss	Profit/ (Loss)	As % of Consol- idated OCI	OCI	As % of Consol- idated OCI	As % of Consol- idated profit or loss	Profit/ (Loss)	As % of Consol- idated OCI	OCI	As % of Consol- idated OCI
Holding Company										
Metropolis Healthcare Limited	97.25%	13,894.66	471.87%	(163.72)	96.33%	13,730.94	23,174.13	35.18%	(81.51)	109.00%
Indian Subsidiaries										
Amin's Pathology Laboratory Private Limited	1.85%	264.52	0.00%	-	1.86%	264.52	87.42	0.00%	-	0.41%
Ekopath Metropolis Lab Services Private Limited	0.54%	76.50	2.06%	(0.72)	0.53%	75.79	75.60	0.23%	(0.53)	0.35%
Dr.Ganesan's Hitech Diagnostic Centre Private Limited	0.00%	-	0.00%	-	0.00%	0.01	849.65	(7.91)	1,832.53	0.13
Centralab Healthcare Services Private Limited	1.22%	174.41	0.00%	-	1.22%	174.42	128.77	-	-	0.01
Metropolis Histoxpert Digital Services Private Limited	(0.04%)	(5.00)	0.00%	-	(0.04%)	(4.99)	(0.37)	-	-	(0.00)
Foreign Indirect Subsidiaries										
Metropolis Bramser Lab Services (Mtius) Limited	0.22%	32.00	(37.09%)	12.87	0.31%	44.88	(64.35)	5.00%	(11.59)	(0.36%)
Metropolis Healthcare Ghana Limited	(2.60%)	(371.21)	(320.93%)	111.35	(1.82%)	(259.86)	38.89	4.11%	(9.52)	0.14%
Metropolis Healthcare (Mauritius) Limited	0.76%	108.09	140.31%	(48.68)	0.42%	59.41	200.76	41.20%	(95.44)	0.50%
Metropolis Star Lab Kenya Limited	7.00%	1,000.54	(199.98%)	69.38	7.51%	1,069.91	1,096.77	24.36%	(56.43)	4.91%
Metropolis Healthcare Lanka Private Limited	0.00%	(0.44)	63.03%	(21.87)	(0.16%)	(22.31)	(118.34)	(14.08%)	32.61	(0.40%)
Metropolis Healthcare Tanzania Limited	(0.01%)	(1.31)	(26.04%)	9.04	0.05%	7.72	49.81	(1.73%)	4.01	0.25%
Metropolis Healthcare Uganda Limited	(0.40%)	(57.60)	6.76%	(2.35)	(0.42%)	(59.95)				
Non-controlling interest in all non-wholly owned subsidiaries	(0.36%)	(51.14)	(0.42%)	0.14	(0.36%)	(50.99)	(50.40)	(0.01%)	0.02	(0.24%)
Add/(Less): Adjustments	(5.43%)	(775.78)	0.42%	(0.14)	(5.43%)	(775.97)	(4,050.14)	796.75%	(1,845.82)	(27.82%)
Total	100.00%	14,288.26	100.00%	(34.70)	100.00%	14,253.56	21,418.20	100.00%	(231.67)	100.00%

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

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

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

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

Sd/-

Tarun Kinger

Partner

Membership No: 105003

Place: Mumbai

Date: May 16, 2023

For and on behalf of the Board of Directors

Metropolis Healthcare Limited

L73100MH2000PLC192798

Sd/-

Dr. Sushil Shah

Chairman & Executive Director

DIN: 00179918

Place : Mumbai

Sd/-

Surendran Chemmenkotil

Chief Executive Officer

Place : Mumbai

Sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place : Mumbai

Sd/-

Rakesh Agarwal

Chief Financial Officer

Place : Mumbai

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 23RD ANNUAL GENERAL MEETING ('AGM') OF THE MEMBERS OF METROPOLIS HEALTHCARE LIMITED WILL BE HELD ON THURSDAY, AUGUST 17, 2023 AT 04:30 PM IST THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 250 D, UDYOG BHAVAN, WORLI, MUMBAI- 400030, MAHARASHTRA, INDIA.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with the Report of the Auditors thereon.
2. To confirm the payment of Interim Dividend of Rs.8/- (Rupees Eight Only) per equity share for the financial year ended March 31, 2023.
3. To appoint a Director in place of Mr. Hemant Sachdev (DIN: 01635195), who retires by rotation and, being eligible, offers himself for the re-appointment.

SPECIAL BUSINESS:

4. **To ratify the remuneration payable to M/s. Joshi Apte & Associates, Cost Auditors of the Company for the Financial Year 2023-24.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (**'the Act'**), read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Audit Committee and the Board of Directors at their respective meetings held on May 16, 2023, the remuneration payable to M/s. Joshi Apte & Associates, Cost Accountants (Firm Registration No. 00240), who were appointed by the Board of Directors of the Company to conduct the audit of the Cost records of the Company for the Financial Year 2023-24 amounting to Rs.1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable GST and reimbursement of travelling and out of pocket expenses be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

5. **To approve re-appointment of Mr. Sanjay Bhatnagar, (DIN: 00867848) as an Independent Director of the Company for a second term of five consecutive years**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 (**'the Act'**) (including any statutory amendment(s) modification(s) or re-enactment(s) thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'SEBI Listing Regulations'**), as amended from time to time and the Articles of Association of the Company, Mr. Sanjay Bhatnagar, (DIN: 00867848), who was appointed as an Independent Director at the 18th Annual General Meeting of the Company for a period of five years, i.e., from September 07, 2018 to September 06, 2023, being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from September 07, 2023 till September 06, 2028 (both days inclusive).

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197, and other applicable provisions of the Act and the Rules made thereunder, Mr. Sanjay Bhatnagar shall be entitled to receive the fees/ remuneration including by way of commission not exceeding in the aggregate 1% per annum of the net profits of the Company for each Financial year as

NOTICE (Contd.)

permitted to be received in a capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filling of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

6. To approve re-appointment of Mr. Vivek Gambhir, (DIN: 06527810) as an Independent Director of the Company for a second term of five consecutive years

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act') (including any statutory amendment(s) modification(s) or re-enactment(s) thereof for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and the Articles of Association of the Company, Mr. Vivek Gambhir, (DIN: 06527810), who was appointed as an Independent Director at the 18th Annual General Meeting of the Company for a period of five years, i.e., from September 07, 2018 to September 06, 2023, being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the

Act proposing his candidature for the office of Director and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from September 07, 2023 till September 06, 2028 (both days inclusive).

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197, and other applicable provisions of the Act and the Rules made thereunder, Mr. Vivek Gambhir, (DIN: 06527810) shall be entitled to receive the fees/remuneration including by way of commission not exceeding in the aggregate 1% per annum of the net profits of the Company for each Financial year as permitted to be received in a capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filling of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

By Order of the Board of Directors

sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place: Mumbai

Date: May 16, 2023

Registered Office:

Metropolis Healthcare Limited

(CIN: L73100MH2000PLC192798)

250 D Udyog Bhavan, Hind Cycle Marg,

Worli, Mumbai – 400030

Tel: +91 22 33993939

www.metropolisindia.com

NOTICE (Contd.)

NOTES:

1. Pursuant to General Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 respectively, issued by the Ministry of Corporate Affairs ("**MCA Circulars**"), Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR /P/2021/11 dated January 15, 2021, Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by the Securities and Exchange Board of India ("**SEBI Circulars**") and in compliance with the provisions of the Companies Act, 2013 ("**Act**") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations/SEBI Listing Regulations**"), the 23rd Annual General Meeting ("**23rd AGM**") of the Company is being conducted through VC/OAVM Facility, without the physical presence of Members at a common venue. The deemed venue shall be the Registered Office of the Company.
2. Pursuant to MCA Circulars the AGM shall be conducted through VC/OAVM, the facility for appointment of proxy by the Members to attend and cast vote for the Members is not available for this AGM and hence the proxy form and attendance slip including Route map are not annexed to the Notice. However, in pursuance of Section 113 of the Companies Act, 2013, the Body Corporate Member/ institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and they can participate and cast their votes through e-voting. Accordingly, Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at secretarial@metropolisindia.com
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act shall be available for inspection electronically during the AGM upon login at NSDL E-voting system at www.evoting.nsdl.com.
6. Certificate from the Secretarial Auditors of the Company certifying that '**Metropolis Restrictive Stock Unit Plan, 2020**' and '**Metropolis Employees Stock Options Scheme, 2015**' are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 and shall be available for inspection electronically during the AGM upon login at NSDL E-voting system at www.evoting.nsdl.com
7. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the AGM and the relevant details of Director seeking appointment and re-appointment as required under Regulation 26(4) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as required under Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India is annexed thereto.
8. All documents referred to in the Notice will also be available for electronic inspection, without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. AGM day & date. Members seeking to inspect such documents can send an email to secretarial@metropolisindia.com
9. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request till **August 10, 2023 (05:00 PM IST)** mentioning their name, demat account number/folio number, email id, mobile number at (secretarial@metropolisindia.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries till **August 10, 2023 (05:00 PM IST)** mentioning their name, demat account number/folio number, email id, mobile number at secretarial@metropolisindia.com. These queries will be replied to by the Company suitably by email.

NOTICE (Contd.)

10. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 01, 2020. In view of the above, Members are advised to dematerialize shares held by them in physical form.
11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., directly to the Depository Participants. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Transfer Agent, M/s. Link Intime (India) Private Limited at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083 quoting their folio number.
12. Shareholders can avail the facility of nomination in respect of shares held by them in physical form, pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules framed thereunder. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to M/s. Link Intime (India) Private Limited. Members holding in electronic form may contact their respective Depository Participants for availing this facility.
13. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's Registrar & Transfer Agents in case the shares are held by them in physical form.
14. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent, Link Intime (India) Private Limited.
15. The register of Members and Share Transfer Books of the Company will remain closed from Friday, August 11, 2023 to Thursday, August 17, 2023 (both days inclusive) for the purpose of the 23rd AGM of the Company.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. Members who wish to claim dividends, which have remained unclaimed, are requested to contact the Secretarial Department, at the Registered Office of the Company or office of the Registrar and Share Transfer Agent ('RTA') of the Company i.e. M/s Link Intime (India) Private Limited. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education Protection Fund ('IEPF'), as per provisions of Section 124 of the Companies Act, 2013 (including any statutory amendment(s) modification(s) or re-enactment(s) for the time being in force).
18. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the Shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.
19. The Board of Directors have appointed Mr. Vijay Yadav (Membership No. FCS 11990) Partner of M/s. AVS & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the votes cast through the e-voting system at the Meeting and remote e-voting process in a fair and transparent manner.
20. The Scrutinizer shall submit his report to the Chairman of the Meeting or any person authorized by him within 48 hours of the conclusion of the AGM. The Results declared along with the report of Scrutinizer shall be placed on the website of the Company www.metropolisindia.com and on website of NSDL immediately after declaration of results by the Chairman or person authorized by him in this behalf. The Company shall simultaneously forward the results to BSE and NSE, where the shares of the Company are listed.
21. Regulation 36 (1)(b) and (c) of the Listing Regulations prescribes that a listed entity shall send a hard copy of the statement containing salient features of all the documents, as prescribed in Section 136 of the Companies Act, 2013 to the shareholders who have not registered their email addresses and hard copies of full annual reports to those shareholders, who request for the same, respectively. However, in line with MCA Circulars and SEBI Circulars owing to the difficulties involved in dispatching of physical copies of the Annual Report for the Financial Year 2022-23 and the Notice of AGM are being sent in electronic mode to those Members whose email addresses are registered with

NOTICE (Contd.)

the Company/ Depositories. Members may note that the Notice of the AGM and the Annual Report for the Financial Year 2022-23 will also be available on the Company's website www.metropolisindia.com, websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com

22. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April

13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ('NSDL') for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

23. AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars and SEBI Circulars, as applicable.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, August 13, 2023 at 09:00 A.M. and ends on Wednesday, August 16, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Thursday, August 10, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, August 10, 2023. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the 23rd AGM and prior to the Cut-off date i.e. Thursday, August 10, 2023 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on Thursday, August 17, 2023 the date of the AGM by following the procedure mentioned below.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system:


A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

NOTICE (Contd.)

Type of shareholders	Login Method
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

NOTICE (Contd.)

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

NOTICE (Contd.)

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be able to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vijay.yadav@avsassociates.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms Veena at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@metropolisindia.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@metropolisindia.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

NOTICE (Contd.)

4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@metropolisindia.com. The same will be replied by the Company suitably.
6. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
7. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the AGM.

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 4:

On the recommendation of the Audit Committee, the Board of Directors at their Meeting held on May 16, 2023, approved the appointment of M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 00240), as Cost Auditors of the Company to conduct the audit of the Cost records of the Company for the Financial year 2023-24 at a remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable GST and reimbursement of travelling and out of pocket expenses.

M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 00240) have confirmed that they hold a valid certificate of practice under sub section (1) of Section 6 of the Cost and Work Accountants Act, 1959 and are not disqualified under section 141 read with section 148 of the Companies Act, 2013 and rules made thereunder.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and Audit) Rules, 2014 (including any statutory amendment(s) modification(s) and/ or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the Members of the Company.

NOTICE (Contd.)

Accordingly, the Board of Directors recommend passing of an **Ordinary Resolution** as set out in **Item No. 4** of the accompanying Notice relating to the ratification of the remuneration payable to M/s. Joshi Apte & Associates, Cost Auditors of the Company for the Financial Year 2023-24 for the approval of the members.

None of the Directors, Key Managerial Personnel and / or their relatives are, in any way, concerned or interested financially or otherwise, in the above resolution.

Item No. 5:

Based on recommendation of the Nomination Remuneration Committee, the Board has re-appointed Mr. Sanjay Bhatnagar (DIN: 00867848) as an Independent Director, not liable to retire by rotation, for the second consecutive term of five years, i.e., from September 07, 2023 to September 06, 2028 (both days inclusive), subject to approval of the Members.

Mr. Sanjay Bhatnagar has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations, (ii) and is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Mr. Sanjay Bhatnagar is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the Listing Regulations for re-appointment as an Independent Director and he is independent of the management. The Board of Directors of the Company has evaluated the performance of Mr. Sanjay Bhatnagar on the basis of his attendance at the meetings of Board and Committees, active participation in meetings, rendering of independent and unbiased opinions, giving of positive inputs into development of strategy, better governance practices and safeguarding of confidential information of the Company, Knowledge with the latest developments and applicable laws to the Company etc. Further, the Board has done the said evaluation in rating manner. The performance evaluation of Mr. Sanjay Bhatnagar was satisfactory to the Board. The profile and specific areas of expertise of Mr. Sanjay Bhatnagar is provided as Annexure to this Notice.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Sanjay Bhatnagar on the Board of the Company and accordingly the Board recommends the appointment of Mr. Sanjay Bhatnagar, as an Independent Director, as proposed in the Special Resolution set out at Item No. 5 for approval by the Members.

Except for Mr. Sanjay Bhatnagar and/or her relatives, no other Director, Key Managerial Personnel or their respective

relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Further, Mr. Sanjay Bhatnagar shall be entitled to receive the fees/remuneration including by way of commission not exceeding in the aggregate 1% per annum of the net profits of the Company for each Financial year as permitted under the Act and Listing Regulations and the quantum, proportion, manner of such payment and distribution shall be as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

A copy of the draft Letter of Appointment for Independent Directors, setting out the terms and conditions of appointment of Independent Directors is available for inspection on the website of the Company at www.metropolisindia.com.

Item No. 6:

Based on recommendation of the Nomination and Remuneration Committee, the Board has re-appointed Mr. Vivek Gambhir (DIN: 06527810) as an Independent Director, not liable to retire by rotation, for the second consecutive term of five years, i.e., from September 07, 2023 to September 06, 2028 (both days inclusive), subject to approval of the Members.

Mr. Vivek Gambhir has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, (ii) and is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Mr. Vivek Gambhir is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the Listing Regulations for re-appointment as an Independent Director and he is independent of the management. The Board of Directors of the Company has evaluated the performance of Mr. Vivek Gambhir on the basis of his attendance at the meetings of Board and Committees, active participation in meetings, rendering of independent and unbiased opinions, giving of positive inputs into development of strategy, better governance practices and safeguarding of confidential information of the Company, Knowledge with the latest developments and applicable laws to the Company etc. Further, the Board has done the said evaluation in rating manner. The performance evaluation of Mr. Vivek Gambhir was satisfactory to the Board.

The profile and specific areas of expertise of Mr. Vivek Gambhir is provided as Annexure to this Notice.

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Vivek Gambhir

NOTICE (Contd.)

on the Board of the Company and accordingly the Board recommends the appointment of Mr. Vivek Gambhir, as an Independent Director, as proposed in the Special Resolution set out at Item No. 6 for approval by the Members.

Except for Mr. Vivek Gambhir and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Further, Mr. Vivek Gambhir shall be entitled to receive the fees/ remuneration including by way of commission not exceeding

in the aggregate 1% per annum of the net profits of the Company for each Financial year as permitted under the Act and Listing Regulations and the quantum, proportion, manner of such payment and distribution shall be as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

A copy of the draft Letter of Appointment for Independent Directors, setting out the terms and conditions of appointment of Independent Directors is available for inspection on the website of the Company at www.metropolisindia.com.

By Order of the Board of Directors

sd/-

Ameera Shah

Managing Director

DIN: 00208095

Place: Mumbai

Date: May 16, 2023

Registered Office:

Metropolis Healthcare Limited

(CIN: L73100MH2000PLC192798)

250 D Udyog Bhavan, Hind Cycle Marg,

Worli, Mumbai – 400030

Tel: +91 22 33993939

www.metropolisindia.com

NOTICE (Contd.)

Information as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 for appointment / re-appointment of Directors is as below

Mr. Hemant Sachdev:

Name of the Director	Mr. Hemant Sachdev
DIN	01635195
Date of Birth	November 25, 1975
Date of Appointment	May 27, 2021
Date of appointment at current designation	May 27, 2021
Category	Non-Executive Non-Independent Director
Qualification	BA in Political Science from Delhi and an alumni of Harvard Business School
Nature of expertise in specific functional areas and Experience	Is a first generation entrepreneur and has over 2 decades of Experience, mainly in Retail, Distribution and Education
Terms and conditions of appointment/reappointment	Re-appointed as a Non-Executive Non Independent Director, liable to retire by rotation
Number of shares held in the Company	Nil
Remuneration to be paid	-
Directorship held in other Companies	Refer Annexure A
Memberships/ Chairmanships of Committees of other Companies	Refer Annexure A
Relationships between Directors inter-se	Husband of Ms. Ameera Shah, Managing Director of the Company & Son in Law of Dr. Sushil Shah, Chairman and Executive Director of the Company
Last Drawn Remuneration and No. of Board Meetings attended during the year	Mr. Hemant was not paid any remuneration in financial year 2022-23, and number of Board/Committee meetings attended during financial year 2022-23 are provided in the Corporate Governance Report which forms a part of the Annual Report.

NOTICE (Contd.)

Annexure A – Details of Other Directorships and Committee memberships held by the Mr. Hemant Sachdev.

No.	Name of the Company in which he is a Director	Details of Committee Membership / Chairmanship in the Company
1.	Metropolis Healthcare Limited	----
2.	Chogori India Retail Limited	----
3.	Chogori Retail Private Limited	----
4.	Chogori Distribution Private Limited	----
5.	Devi Developers Private Limited	----

Mr. Sanjay Bhatnagar:

Name of the Director	Mr. Sanjay Bhatnagar
DIN	00867848
Date of Birth	September 29, 1961
Date of Appointment	September 07, 2018
Date of appointment at current designation	September 10, 2018
Category	Non- Executive, Independent Director
Qualification	Master's degree in Engineering from Stanford University and Business Administration from Harvard University
Nature of expertise in specific functional areas and Experience	More than 25 years of experience with expertise in project development, marketing, and operations management.
Terms and conditions of appointment/ re-appointment	Re-appointed as a Non-Executive Independent Director, not liable to retire by rotation
Number of shares held in the Company	Nil
Remuneration to be paid	As per the resolution at Item no. 5 of the Notice convening this meeting read with explanatory statement thereto
Directorship held in other Companies	Refer Annexure B
Memberships/ Chairmanships of Committees of other Companies	Refer Annexure B
Relationships between Directors inter-se	NA
Last Drawn Remuneration and No. of Board Meetings attended during the year	Mr. Sanjay was not paid any remuneration in financial year 2022-23, details of sitting fees and number of Board/Committee meetings attended during financial year 2022-23 are provided in the Corporate Governance Report which forms a part of the Annual Report.

NOTICE (Contd.)

Annexure B – Details of Other Directorships and Committee memberships held by the Mr. Sanjay Bhatnagar:

No.	Name of the Company in which he is a Director	Details of Committee Membership / Chairmanship in the Company
1.	EIH Limited	Member of Audit Committee
2.	Bhatnagar Estates Private Limited	-
3.	Tango Publishing Inc.	-
4.	Metropolis Healthcare Limited	Member of Audit Committee and Nomination and Remuneration Committee

Mr. Vivek Gambhir:

Name of the Director	Mr. Vivek Gambhir
DIN	06527810
Date of Birth	November 27, 1968
Date of Appointment	September 07, 2018
Date of appointment at current designation	September 10, 2018
Category	Non- Executive, Independent Director
Qualification	Bachelor's degree in both Science and Arts from Lafayette College, Pennsylvania; Holds Master's degree in Business Administration from Harvard University
Nature of expertise in specific functional areas and Experience	More than 20 years of experience with expertise in Operations and Strategy.
Terms and conditions of appointment/ reappointment	Re-appointed as a Non-Executive Independent Director, not liable to retire by rotation
Number of shares held in the Company	144 shares
Remuneration to be paid	As per the resolution at Item no. 6 of the Notice convening this meeting read with explanatory statement thereto
Directorship held in other Companies	Refer Annexure C
Memberships/ Chairmanships of Committees of other Companies	Refer Annexure C
Relationships between Directors inter-se	NA
Last Drawn Remuneration and No. of Board Meetings attended during the year	Mr. Vivek was not paid any remuneration in financial year 2022-23, details of sitting fees and number of Board/Committee meetings attended during financial year 2022-23 are provided in the Corporate Governance Report which forms a part of the Annual Report.

NOTICE (Contd.)

Annexure C – Details of Other Directorships and Committee memberships held by the Mr. Vivek Gambhir:

No.	Name of the Company in which he is a Director	Details of Committee Membership / Chairmanship in the Company
1.	Samast Technologies Private Limited	-
2.	Harvard Business School Club of India	-
3.	Hob Ventures Private Limited	-
4.	Imagine Marketing Limited	Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee & Risk and Management Committee
5.	Kaha Technologies Private Limited	-
6.	Honasa Consumer Limited	Member of Audit Committee and Chairman of Nomination and Remuneration Committee
7.	Metropolis Healthcare Limited	Member of Audit Committee & Nomination and Remuneration Committee. Chairman of Stakeholders Relationship Committee

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Registered Office:
250-D, Udyog Bhavan,
Hind Cycle Marg,
Behind Glaxo,
Worli, Mumbai - 400030
Customer Care: 8422-801-801